
Introduced by Committee on Budget and Fiscal Review

January 20, 2009

~~An act relating to the Budget Act of 2009.~~ *An act to amend Sections 2550, 2558.46, 17070.766, 42238.146, 42605, 44259, 45023.1, 45023.4, 46010.2, and 52124.3 of, to amend, repeal, and add Section 17587 of, and to add and repeal Section 52055.60 of, the Education Code, to amend Sections 7906 and 8880.5 of the Government Code, to amend Items 6110-488, 6440-001-0001, 6610-001-0001, and 6870-101-0001 of Section 2.00 of, and to amend Section 12.42 of, the Budget Act of 2008 (Chapters 268 and 269 of the Statutes of 2008), and to amend Section 42 of Chapter 12 of the Statutes of 2009, relating to education finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 64, as amended, Committee on Budget and Fiscal Review. Budget Act of 2009.

(1) *Existing law requires a revenue limit to be calculated for each county superintendent of schools, adjusted for various factors, and reduced, as specified. Existing law reduces the revenue limit for each county superintendent of schools for the 2008–09 fiscal year by a deficit factor of 7.839%.*

This bill would increase the deficit factor for each county superintendent of schools for the 2008–09 fiscal year to 11.183%.

(2) *The Leroy F. Greene School Facilities Act of 1998 requires the State Allocation Board to require school districts applying for funds under that act to deposit, into a specified account for ongoing and major*

maintenance of school buildings, an amount equal to or greater than 3% of the total general fund expenditures of the applicant school district. Existing law, for the 2008–09 to the 2012–13 fiscal years, inclusive, reduces that deposit requirement to an amount equal to or greater than 1% of the total general fund expenditures of the applicant school district.

This bill would exempt a school district that maintains its facilities in good repair, as defined, from this 1% requirement.

(3) Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county and requires the amount of the revenue limit to be adjusted for various factors. Existing law reduces the revenue limit for each school district for the 2008–09 fiscal year by a deficit factor of 7.844% and for the 2009–10 fiscal year by a deficit factor of 13.094%.

This bill would instead reduce the revenue limit for each school district for the 2008–09 fiscal year by a deficit factor of 11.187% and for the 2009–10 fiscal year by a deficit factor of 17.048%. The bill would set forth a mechanism by which basic aid school districts would assume categorical funding reductions proportionate to the revenue limit reductions implemented for nonbasic aid school districts.

(4) Existing law establishes various categorical education programs and appropriates the funding for those programs in the annual Budget Act. Existing law requires the Superintendent of Public Instruction, for the 2008–09 to 2012–13 fiscal years, inclusive, to apportion from the amount provided in the annual Budget Act for specified categorical education programs an amount based on the same relative proportion that the local educational agency received in the 2008–09 fiscal year for those programs and authorizes school districts, for those fiscal years, to use these funds, with specified exceptions, for any educational purpose, to the extent permitted by federal law. Existing law, for those fiscal years, deems local educational agencies that use the authority to use these categorical education program funds for any educational purpose to be in compliance with the program and funding requirements of those categorical education programs, including requirements related to average daily attendance accounting.

This bill would base the amount to be received from certain categorical education program budget items to be based on the same relative proportion that the recipient received in the 2007–08 fiscal year for those programs, instead of the 2008–09 fiscal year. The bill would require, for the 2008–09 to 2012–13 fiscal years, inclusive, and for certain calculations that use average daily attendance, that the

average daily attendance for specified programs be the same amount used in those calculations for the 2007–08 fiscal year. The bill would declare that changes to these calculations in the California State Lottery Act, an initiative measure, further the purposes of that act, and therefore may be made by an act enacted by a ²/3 vote of both houses of the Legislature.

Existing law requires a school district that receives funding on behalf of a charter school to continue to distribute those funds to those charter schools based on the amounts distributed in the 2008–09 fiscal year and to adjust those amounts, as specified.

This bill would clarify that a school district that receives funding on behalf of a charter school is prohibited from redirecting that funding for another purpose, except as specified, and would require the school district to continue to distribute those funds to those charter schools based on the relative proportion that the school district distributed in the 2007–08 fiscal year. The bill would require the Superintendent to apportion from the amount appropriated for the charter school categorical block grant in accordance with the per pupil methodology prescribed by a specified provision of law.

Existing law, as a condition of receiving the categorical education program funds that may be used for any educational purpose, requires school districts and county offices of education, at a regularly scheduled, open, public hearing, to take testimony from the public, discuss, and approve or disapprove the proposed use of funding. Existing law, as a condition of transferring those funds to their general funds, requires school districts and county offices of education, at a regularly scheduled, open, public hearing, to take testimony from the public, discuss, and approve or disapprove each transfer and the proposed use of funding, and to report to the State Department of Education, in the existing annual Standardized Accounting System reporting process, the amounts transferred by using the appropriate program code for which the funds were expended. The department is required to collect and provide this information to the appropriate legislative policy and budget committees and the Department of Finance by February 28, 2010.

This bill would delete the meeting requirement that is a condition of transferring categorical education program funds to the general fund of a school district or county office of education. The bill would add to the requirement that is a condition of the receipt of categorical education program funds that may be used for any educational purpose, that the governing board make explicit the purposes for which the funds

would be used. The bill would require a local educational agency to report expenditures by using the appropriate function codes of the Standardized Accounting System reporting process to indicate the activities for which these funds were expended. The bill would require the department to collect and provide this information to the appropriate legislative policy and budget committees and the Department of Finance by April 15, 2010, and annually thereafter, until 2014.

(5) Existing law sets forth the minimum requirements for the professional clear multiple or single subject teacher credential. Among those requirements is the completion of a program of beginning teacher induction. This requirement is contingent on the availability of funds in the annual Budget Act to provide statewide access to eligible beginning teachers.

This bill would remove the contingency of this requirement on the availability of funds.

(6) Existing law requires the categorical block grant for charter schools for the 2007–08 school year to be \$500 per unit of charter school average daily attendance, as determined at the 2nd principal apportionment for the 2007–08 fiscal year, to be adjusted for cost-of-living each fiscal year thereafter, and to be supplemented, as specified, for economic impact aid-eligible pupils.

This bill would appropriate \$8,267,000 from the General Fund to the State Department of Education for the charter school categorical block grant for the purpose of funding the economic impact aid supplement for the 2008–09 fiscal year.

(7) The federal No Child Left Behind Act of 2001 requires a local educational agency to identify an elementary or secondary school that fails, for 2 consecutive years, to make adequate yearly progress, as defined by the state, for program improvement. The act requires a school that continues to fail to make adequate yearly progress after being identified for program improvement to take additional corrective action or meet specified restructuring requirements. The Public Schools Accountability Act of 1999 requires the State Department of Education to identify local educational agencies that are in danger of being identified for program improvement pursuant to the No Child Left Behind Act, and to notify those local educational agencies, in writing, of that status. The department also is required to provide those agencies with research-based criteria to conduct a voluntary self-assessment.

This bill, for the 2008–09 to 2012–13 fiscal years, inclusive, would prohibit a school, school district, county office of education, or charter

school that has been identified for program improvement or corrective action under the federal No Child Left Behind Act of 2001 from being required to implement program requirements set forth in the Mathematics and Reading Professional Development Program or the Administrator Training Program. The bill would prohibit the State Department of Education and the State Board of Education from prohibiting these schools, school districts, county offices of education, and charter schools from utilizing certain categorical program flexibility provisions of law.

(8) Existing law establishes the Class Size Reduction Program under which a participating school district or county office of education reduces class size to 20 pupils per class in kindergarten and grades 1 to 3, inclusive. Existing law provides that a local educational agency is eligible to receive program funding only if it was participating in the program as of December 10, 2008 and only for the grade level or levels for which it had applied to receive funding as of that date.

This bill would provide instead that, for the 2008–09, 2009–10, 2010–11 and 2011–12 fiscal years, that a local educational agency is eligible to receive program funding for the same number of classes for which it had applied to receive program funding as of January 1, 2009, and only for the number of classes reported on the 2008–09 operations application.

(9) Existing law establishes the Instructional Materials Funding Realignment Program that requires the State Department of Education to apportion funds to school districts and requires the governing board of a school district to use that funding to ensure that each pupil is provided with a standards-aligned textbook or basic instructional materials by the beginning of the first school term that commences no later than 24-months after those materials were adopted by the State Board of Education, except as specified. Existing law exempts, until July 1, 2010, school districts from the 24-month requirement.

This bill would provide that the State Department of Education and the State Board of Education are prohibited from prohibiting a school, school district, county office of education, or charter school that has been identified for program improvement or corrective action under the federal No Child Left Behind Act of 2001 from implementing the exemption.

(10) The Budget Act of 2008 appropriates General Funds to the State Department of Education for implementation of the High Priority Schools Grant Program.

This bill would reduce that appropriation by \$107,909,000.

(11) This bill would reappropriate to the State Department of Education for the 2008–09 fiscal year prescribed amounts or the unexpended balance of specified appropriations made in specified prior Budget Acts to the Department of Corrections and Rehabilitation for juvenile education.

(12) The Budget Act of 2008 appropriates from the General Fund \$2,995,520,000 for the support of the University of California, \$2,910,596,000 for the support of California State University, and \$3,649,230,000 to the Board of Governors of the California Community Colleges.

This bill would reduce those appropriations, as specified.

(13) Existing law authorizes the governing board of a school district to establish a district deferred maintenance fund for specified maintenance purposes. The State Allocation Board is required to apportion from the State School Deferred Maintenance Fund, to school district an amount equal to \$1 for each \$1 of local funds up to a specified maximum. To be eligible to receive the state matching funds a school district is required to deposit in its district deferred maintenance fund a specified amount. Existing law authorizes the State Allocation Board to reserve funds in the State School Deferred Maintenance Fund for apportionments to school districts in instances of extreme hardship, as defined.

This bill would suspend for the 2008–09 to 2012–13 fiscal years, inclusive, the requirement that a school district deposit the required amount in its district deferred maintenance fund and also suspend the board's authority to reserve funds for apportionments to school districts in instances of extreme hardship.

(14) Existing law, for the 2008–09 and 2009–10 fiscal years, authorizes the governing board of a school district or county office of education to use up to 100 percent of the balances, as of June 30, 2008, of restricted accounts in its general fund or cafeteria fund with certain exclusion, including, among others restricted reserves committed for capital outlay, and excluding balances in specified categorical education programs, including, among others the Targeted Instructional Improvement Grant Program, the Instructional Materials Program, and the California High School Exit Exam Intensive Intervention Program. Existing law requires a governing board that elects to use balances in restricted accounts to report to the Superintendent regarding the programs and amounts of restricted balances used and requires the

Superintendent to report statewide information and information for each school district and county office of education to the Joint Legislative Budget Committee by October 31, 2009.

This bill would exclude the use of the ending balance in the cafeteria fund and the balances in the English Learner Acquisition and Development Pilot Program and child development programs, but would authorize the use of balances in the Targeted Instructional Improvement Grant Program, the Instructional Materials Program, and the California High School Exit Exam Intensive Intervention Program and restricted reserves committed for capital outlay. The bill would change the deadline of the date by which the Superintendent is required to report to the Joint Legislative Budget Committee to April 15, 2010.

(15) This bill would declare that it is to take effect immediately as an urgency statute.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2009.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 2550 of the Education Code is amended
2 to read:

3 2550. For each fiscal year, the Superintendent of Public
4 Instruction shall make the following computations to determine
5 the amount to be allocated for direct services and other purposes
6 provided by county superintendents of schools:

7 (a) For programs operated pursuant to subdivision (a) of Section
8 14054, the Superintendent of Public Instruction shall:

9 (1) Determine the allowances that county superintendents
10 received per unit of average daily attendance in the prior fiscal
11 year. The Superintendent of Public Instruction shall increase each
12 amount by a percentage equal to the inflation allowance calculated
13 for the current fiscal year pursuant to Section 2557.

14 (2) Multiply each amount determined in paragraph (1) by the
15 actual number of units of average daily attendance in the prior
16 fiscal year for programs maintained by each county superintendent.
17 For purposes of this paragraph, the number of units of average
18 daily attendance shall include only units generated by elementary

1 districts with less than 901 units of average daily attendance, high
2 school districts with less than 301 units of average daily attendance,
3 and unified school districts with less than 1,501 units of average
4 daily attendance within each county superintendent's jurisdiction.

5 (b) For programs operated pursuant to subdivision (b) of Section
6 14054, the Superintendent of Public Instruction shall:

7 (1) (A) For the 1999–2000 fiscal year, determine the rate per
8 unit of average daily attendance calculated for each county office
9 of education pursuant to subdivision (b) of Section 2567 and
10 increase each rate by a percentage equal to the inflation allowance
11 calculated in Section 2557.

12 (B) For the 2000–01 fiscal year, determine the rate per unit of
13 average daily attendance calculated for each county office of
14 education pursuant to subdivision (b) of Section 2568 and increase
15 each rate by a percentage equal to the inflation allowance calculated
16 in Section 2557.

17 (C) For the 2001–02 fiscal year and each fiscal year thereafter,
18 determine the allowances that county superintendents received per
19 unit of average daily attendance in the prior fiscal year. The
20 Superintendent of Public Instruction shall increase each amount
21 by a percentage equal to the inflation allowance calculated for the
22 current fiscal year pursuant to Section 2557.

23 (2) (A) Multiply each amount determined in paragraph (1) by
24 the units of average daily attendance in the current fiscal year for
25 programs for kindergarten and grades 1 to 12, inclusive, maintained
26 by each county superintendent. For the purposes of this paragraph,
27 average daily attendance shall include only the total units of
28 average daily attendance credited to all elementary, high school,
29 and unified school districts within each county superintendent's
30 jurisdiction and to the county superintendent.

31 (B) *For purposes of this paragraph, in each of the 2008–09,*
32 *2009–10, 2010–11, 2011–12, and 2012–13 fiscal years, the units*
33 *of average daily attendance in each of those fiscal years for*
34 *programs for kindergarten and grades 1 to 12, inclusive,*
35 *maintained by each county superintendent shall include the same*
36 *amount of average daily attendance for classes for adults and*
37 *regional occupational centers and programs used in the calculation*
38 *pursuant to this subdivision for the 2007–08 fiscal year.*

39 SEC. 2. Section 2558.46 of the Education Code is amended to
40 read:

2558.46. (a) (1) For the 2003–04 fiscal year, the revenue limit for each county superintendent of schools determined pursuant to this article shall be reduced by a 1.195 percent deficit factor.

(2) For the 2004–05 fiscal year, the revenue limit for each county superintendent of schools determined pursuant to this article shall be reduced by a 0.323 percent deficit factor.

(3) For the 2003–04 and 2004–05 fiscal years, the revenue limit for each county superintendent of schools determined pursuant to this article shall be reduced further by a 1.826 percent deficit factor.

(4) For the 2005–06 fiscal year, the revenue limit for each county superintendent of schools determined pursuant to this article shall be reduced further by a 0.898 percent deficit factor.

(5) For the 2008–09 fiscal year, the revenue limit for each county superintendent of schools determined pursuant to this article shall be reduced by a ~~7.839~~ 11.183 percent deficit factor.

(6) For the 2009–10 fiscal year, the revenue limit for each county superintendent of schools determined pursuant to this article shall be reduced by a 13.360 percent deficit factor.

(b) In computing the revenue limit for each county superintendent of schools for the 2006–07 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that county superintendent of schools had been determined for the 2003–04, 2004–05, and 2005–06 fiscal years without being reduced by the deficit factors specified in subdivision (a).

(c) In computing the revenue limit for each county superintendent of schools for the 2010–11 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that county superintendent of schools had been determined for the 2009–10 fiscal year without being reduced by the deficit factors specified in subdivision (a).

SEC. 3. Section 17070.766 of the Education Code is amended to read:

17070.766. Notwithstanding paragraph (2) of subdivision (b) of Section 17070.75, for the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years, the board shall require a school district to deposit into the account established pursuant to paragraph (1) of subdivision (b) of Section 17070.75 only an amount equal to 1 percent of the total expenditures by a district from its general fund in the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years respectively, *but if the school district maintains its facilities*

1 *in good repair, as defined in Section 17002, it shall be exempt*
2 *from this 1 percent requirement.* A school district may elect to
3 deposit into the account an amount that is greater than the amount
4 required by the board pursuant to this section.

5 *SEC. 4. Section 17587 of the Education Code is amended to*
6 *read:*

7 ~~17587. (a) Notwithstanding the limitations of Section 17584,~~
8 ~~the State Allocation Board may each year reserve an amount not~~
9 ~~to exceed 10 percent of the funds transferred from any source to~~
10 ~~the State School Deferred Maintenance Fund for apportionments~~
11 ~~to school districts, in instances of extreme hardship. The~~
12 ~~apportionment shall be in addition to the apportionments made~~
13 ~~pursuant to Section 17584. Not less than one-half of all funds made~~
14 ~~available by this section shall be apportioned to school districts~~
15 ~~that had an average daily attendance, excluding summer session~~
16 ~~attendance, of less than 2,501 during the prior fiscal year.~~

17 ~~An extreme hardship shall exist in a school district when the~~
18 ~~State Allocation Board determines the existence of all of the~~
19 ~~following:~~

20 ~~(1) That the district has deposited in its deferred maintenance~~
21 ~~fund an amount equal to at least 0.5 percent of the total general~~
22 ~~funds and adult education funds budgeted by the district for the~~
23 ~~fiscal year, exclusive of any amounts budgeted for capital outlay~~
24 ~~or debt service.~~

25 ~~(2) That the district has a critical project on its five-year plan~~
26 ~~which if not completed in one year could result in serious damage~~
27 ~~to the remainder of the facility or would result in a serious hazard~~
28 ~~to the health and safety of the pupils attending the facility.~~

29 ~~(3) That the total funds deposited by the district and the state~~
30 ~~pursuant to Section 17584 are insufficient to complete the project.~~

31 ~~(b) As a result of the determination made in subdivision (a), the~~

32 *17587. (a) The State Allocation Board may increase the*
33 *apportionment to a school district by the amount it determines*
34 *necessary to complete the critical project on its five-year plan*
35 *which, if not completed in one year, could result in serious damage*
36 *to the remainder of the facility or would result in a serious hazard*
37 *to the health and safety of the pupils attending the facility.*

38 ~~(e)~~

39 *(b) Notwithstanding subdivision (a), in any fiscal year in which*
40 *the State Allocation Board has apportioned all funding from the*

1 State School Deferred Maintenance Fund for which school districts
2 have qualified under Section 17584, the board may apportion any
3 amount remaining in that fund for the purposes of this section.

4 *(c) This section shall become inoperative on July 1, 2013, and,*
5 *as of January 1, 2014, is repealed, unless a later enacted statute,*
6 *that becomes operative on or before January 1, 2014, deletes or*
7 *extends the dates on which it becomes inoperative and is repealed.*

8 SEC. 5. Section 17587 is added to the Education Code, to read:

9 17587. (a) Notwithstanding the limitations of Section 17584,
10 the State Allocation Board may each year reserve an amount not
11 to exceed 10 percent of the funds transferred from any source to
12 the State School Deferred Maintenance Fund for apportionments
13 to school districts, in instances of extreme hardship. The
14 apportionment shall be in addition to the apportionments made
15 pursuant to Section 17584. Not less than one-half of all funds made
16 available by this section shall be apportioned to school districts
17 that had an average daily attendance, excluding summer session
18 attendance, of less than 2,501 during the prior fiscal year.

19 An extreme hardship shall exist in a school district when the
20 State Allocation Board determines the existence of all of the
21 following:

22 (1) That the district has deposited in its deferred maintenance
23 fund an amount equal to at least 0.5 percent of the total general
24 funds and adult education funds budgeted by the district for the
25 fiscal year, exclusive of any amounts budgeted for capital outlay
26 or debt service.

27 (2) That the district has a critical project on its five-year plan
28 which, if not completed in one year, could result in serious damage
29 to the remainder of the facility or would result in a serious hazard
30 to the health and safety of the pupils attending the facility.

31 (3) That the total funds deposited by the district and the state
32 pursuant to Section 17584 are insufficient to complete the project.

33 (b) If a determination is made that a hardship exists pursuant
34 to subdivision (a), the State Allocation Board may increase the
35 apportionment to a school district by the amount it determines
36 necessary to complete the critical project.

37 (c) Notwithstanding subdivision (a), in any fiscal year in which
38 the State Allocation Board has apportioned all funding from the
39 State School Deferred Maintenance Fund for which school districts

1 *have qualified under Section 17584, the board may apportion any*
2 *amount remaining in that fund for the purposes of this section.*

3 *(d) This section shall become operative on July 1, 2013.*

4 *SEC. 6. Section 42238.146 of the Education Code is amended*
5 *to read:*

6 42238.146. (a) (1) For the 2003–04 fiscal year, the revenue
7 limit for each school district determined pursuant to this article
8 shall be reduced by a 1.198 percent deficit factor.

9 (2) For the 2004–05 fiscal year, the revenue limit for each school
10 district determined pursuant to this article shall be reduced by a
11 0.323 percent deficit factor.

12 (3) For the 2003–04 and 2004–05 fiscal years, the revenue limit
13 for each school district determined pursuant to this article shall be
14 further reduced by a 1.826 percent deficit factor.

15 (4) For the 2005–06 fiscal year, the revenue limit for each school
16 district determined pursuant to this article shall be reduced by a
17 0.892 percent deficit factor.

18 (5) For the 2008–09 fiscal year, the revenue limit for each school
19 district determined pursuant to this article shall be reduced by a
20 ~~7.844~~ *11.187* percent deficit factor.

21 (6) For the 2009–10 fiscal year, the revenue limit for each school
22 district determined pursuant to this article shall be reduced by a
23 13.094 percent deficit factor.

24 (b) In computing the revenue limit for each school district for
25 the 2006–07 fiscal year pursuant to this article, the revenue limit
26 shall be determined as if the revenue limit for that school district
27 had been determined for the 2003–04, 2004–05, and 2005–06 fiscal
28 years without being reduced by the deficit factors specified in
29 subdivision (a).

30 (c) In computing the revenue limit for each school district for
31 the 2010–11 fiscal year pursuant to this article, the revenue limit
32 shall be determined as if the revenue limit for that school district
33 had been determined for the 2009–10 fiscal year without being
34 reduced by the deficit factors specified in subdivision (a).

35 *SEC. 7. Section 42605 of the Education Code is amended to*
36 *read:*

37 42605. (a) (1) Unless otherwise prohibited under federal law
38 or otherwise specified in subdivision (e), for the 2008–09 fiscal
39 year to the 2012–13 fiscal year, inclusive, ~~school districts, charter~~
40 ~~schools, and county offices of education~~ *recipients of funds from*

the items listed in paragraph (2) may use funding received, pursuant to subdivision (b), from any of these items listed in paragraph (2) that are contained in an annual Budget Act, for any educational purpose:

(2) 6110-104-0001, 6110-105-0001, 6110-108-0001, 6110-122-0001, 6110-123-0001, 6110-124-0001, 6110-137-0001, 6110-144-0001, 6110-150-0001, 6110-151-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-266-0001, 6110-267-0001, 6110-268-0001, and 6360-101-0001.

(b) (1) For the 2009–10 fiscal year to the 2012–13 fiscal year, inclusive, the Superintendent or other administering state agency, as appropriate, shall apportion from the amounts provided in the annual Budget Act for the items enumerated in paragraph (2) of subdivision (a), an amount to a school district, charter school, and county office of education recipients based on the same relative proportion that the local education agency recipient received in the 2008–09 fiscal year for the programs funded through the items enumerated in paragraph (2) of subdivision (a). A

(2) This section and Section 42 of Chapter 12 of the Statutes of 2009 do not authorize a school district that receives funding on behalf of a charter school pursuant to Sections 47634.1 and 47651 to redirect this funding for another purpose unless otherwise authorized in law or pursuant to an agreement between a charter school and its chartering authority. Notwithstanding paragraph (1), for the 2008–09 fiscal year to the 2012–13 fiscal year, inclusive, a school district that receives funding on behalf of a charter school pursuant to Sections 47634.1 and 47651 shall continue to distribute the funds to those charter schools based on the amounts relative proportion that the school district distributed in the 2008–09 2007–08 fiscal year, and shall adjust those amounts as specified in this section to reflect changes in charter school attendance in the district. The amounts allocated shall be adjusted for any greater or lesser amount appropriated for the items enumerated in paragraph (2) of subdivision (a). For a charter

1 school that began operation in the 2008–09 fiscal year, if a school
2 district received funding on behalf of that charter school pursuant
3 to Sections 47634.1 and 47651, the school district shall continue
4 to distribute the funds to that charter school based on the relative
5 proportion that the school district distributed in the 2008–09 fiscal
6 year and shall adjust the amount of those funds to reflect changes
7 in charter school attendance in the district. The amounts allocated
8 shall be adjusted for any greater or lesser amount appropriated
9 for the items enumerated in paragraph (2) of subdivision (a).

10 (3) Notwithstanding paragraph (1), for the 2008–09 fiscal year
11 to the 2012–13 fiscal year, inclusive, the Superintendent shall
12 apportion from the amounts appropriated by Item 6110-211-0001
13 of the annual Budget Act, an amount to a charter school in
14 accordance with the per pupil methodology prescribed in
15 subdivision (c) of Section 47634.1.

16 (4) Notwithstanding paragraph (1), for the 2008–09 fiscal year
17 to the 2012–13 fiscal year, inclusive, the Superintendent shall
18 apportion from the amounts provided in the annual Budget Act,
19 an amount to a school district, charter school, and county office
20 of education based on the same relative proportion that the local
21 education agency received in the 2007–08 fiscal year for the
22 programs funded through the following items contained in the
23 annual Budget Act: 6110-104-0001, 6110-105-0001,
24 6110-156-0001, 6110-190-0001, schedule (3) of 6110-193-0001,
25 6110-198-0001, 6110-232-0001, and schedule (2) of
26 6110-240-0001.

27 (5) Notwithstanding paragraphs (1) and (4), for the 2008–09
28 fiscal year to the 2012–13 fiscal years, inclusive, if a charter school
29 began operation in the 2008–09 fiscal year and received direct
30 funding for the items enumerated in paragraph (4), the
31 Superintendent shall apportion an amount to that charter school
32 based on the same relative proportion that the charter school
33 received in the 2008–09 fiscal year.

34 (c) (1) This section does not obligate the state to refund or repay
35 reductions made pursuant to this section. A decision by a school
36 district to reduce funding pursuant to this section for a
37 state-mandated local program shall constitute a waiver of the
38 subvention of funds that the school district is otherwise entitled to
39 pursuant to Section 6 of Article XIII B of the California
40 Constitution on the amount so reduced.

1 (2) As a condition of receipt of funds, the governing board of
2 the school district or board of the county office of education, as
3 appropriate, at a regularly scheduled open public hearing shall take
4 testimony from the public, discuss, ~~and~~ approve or disapprove the
5 proposed use of funding, *and make explicit for each of the budget*
6 *items in paragraph (2) of subdivision (a) the purposes for which*
7 *the funds will be used.*

8 (3) *Using the Standardized Account Code Structure reporting*
9 *process, a local educational agency shall report expenditures of*
10 *funds pursuant to the authority of this section by using the*
11 *appropriate function codes to indicate the activities for which these*
12 *funds are expended. The department shall collect and provide this*
13 *information to the Department of Finance and the appropriate*
14 *policy and budget committees of the Legislature by April 15, 2010,*
15 *and annually thereafter on April 15 until, and including, April 15,*
16 *2014.*

17 (d) For the 2008–09 fiscal year to the 2012–13 fiscal year,
18 inclusive, local education agencies that use the flexibility provision
19 of the section shall be deemed to be in compliance with the
20 program and funding requirements contained in statutory,
21 regulatory, and provisional language, associated with the items
22 enumerated in subdivision (a).

23 (e) Notwithstanding subdivision (d), the following requirements
24 shall continue to apply:

25 (1) For Items 6110-105-0001 and 6110-156-0001, the amount
26 authorized for flexibility shall exclude the funding provided for
27 instruction of CalWORKs eligible students pursuant to schedules
28 (2) and (3), and provisions 2 and 4.

29 (2) (A) Any instructional materials purchased by a local
30 education agency shall be the materials adopted by the state board
31 for kindergarten and grades 1 to 8, inclusive, and for grades 9 to
32 12, inclusive, the materials purchased shall be aligned with state
33 standards as defined by Section 60605, and shall also meet the
34 reporting and sufficiency requirements contained in Section 60119.

35 (B) For purposes of this section, “sufficiency” means that each
36 pupil has sufficient textbooks and instructional materials in the
37 four core areas as defined by Section 60119, and that all pupils
38 within the local education agency who are enrolled in the same
39 course shall have identical textbooks and instructional materials,
40 *as specified in Section 1240.3.*

1 (3) For Item 6110-195-0001, the item shall exclude monies that
2 are required to fund awards for teachers that have previously met
3 the requirements necessary to obtain these awards, until the award
4 is paid in full.

5 ~~(4) As a condition of exercising the authority conferred on local~~
6 ~~educational agencies to transfer funds to their general funds~~
7 ~~pursuant to subdivision (a), both of the following requirements~~
8 ~~shall be met:~~

9 ~~(A) The governing board of the school district, or the county~~
10 ~~board of education, as appropriate, at a regularly scheduled open~~
11 ~~public hearing, shall take testimony from the public, discuss, and~~
12 ~~approve each transfer and the proposed use of funding.~~

13 ~~(B) In the existing Standardized Account Code Structure (SACS)~~
14 ~~reporting process, a local educational agency shall report the~~
15 ~~amounts transferred pursuant to this section by using the~~
16 ~~appropriate program code for which these funds were expended.~~
17 ~~The State Department of Education shall collect and provide this~~
18 ~~information to the Department of Finance and to the appropriate~~
19 ~~policy and budget committees of the Legislature by February 28,~~
20 ~~2010.~~

21 ~~(5)~~

22 (4) For Item 6110-266-0001, a county office of education shall
23 conduct at least one site visit to each of the required schoolsites
24 pursuant to Section 1240 *and shall fulfill all of the duties set forth*
25 *in Sections 1240 and 44258.9.*

26 (5) *For Item 6110-198-0001, a school district or county office*
27 *of education that operates the child care component of the*
28 *Cal-SAFE program shall comply with paragraphs (5) and (6) of*
29 *subdivision (c) of Section 54746.*

30 (f) *This section does not invalidate any state law pertaining to*
31 *teacher credentialing requirements or the functions that require*
32 *credentials.*

33 SEC. 8. *Section 44259 of the Education Code is amended to*
34 *read:*

35 44259. (a) Except as provided in subparagraphs (A) and (C)
36 of paragraph (3) of subdivision (b), each program of professional
37 preparation for multiple or single subject teaching credentials shall
38 not include more than one year of, or the equivalent of one-fifth
39 of a five-year program in, professional preparation.

(b) The minimum requirements for the preliminary multiple or single subject teaching credential are all of the following:

(1) A baccalaureate degree or higher degree from a regionally accredited institution of postsecondary education. Except as provided in subdivision (c) of Section 44227, the baccalaureate degree shall not be in professional education. The commission shall encourage accredited institutions to offer undergraduate minors in education and special education to students who intend to become teachers.

(2) Passage of the state basic skills examination that is developed and administered by the commission pursuant to Section 44252.5.

(3) Satisfactory completion of a program of professional preparation that has been accredited by the committee on accreditation on the basis of standards of program quality and effectiveness that have been adopted by the commission. In accordance with the commission's assessment and performance standards, each program shall include a teaching performance assessment as set forth in Section 44320.2 which is aligned with the California Standards for the Teaching Profession. The commission shall ensure that each candidate recommended for a credential or certificate has demonstrated satisfactory ability to assist pupils to meet or exceed state content and performance standards for pupils adopted pursuant to subdivision (a) of Section 60605. Programs that meet this requirement for professional preparation shall include any of the following:

(A) Integrated programs of subject matter preparation and professional preparation pursuant to subdivision (a) of Section 44259.1.

(B) Postbaccalaureate programs of professional preparation, pursuant to subdivision (b) of Section 44259.1.

(C) Internship programs of professional preparation, pursuant to Section 44321, Article 7.5 (commencing with Section 44325), Article 11 (commencing with Section 44380), and Article 3 (commencing with Section 44450) of Chapter 3.

(4) Study of alternative methods of developing English language skills, including the study of reading as described in subparagraphs (A) and (B), among all pupils, including those for whom English is a second language, in accordance with the commission's standards of program quality and effectiveness. The study of reading shall meet the following requirements:

1 (A) Commencing January 1, 1997, satisfactory completion of
2 comprehensive reading instruction that is research-based and
3 includes all of the following:

4 (i) The study of organized, systematic, explicit skills including
5 phonemic awareness, direct, systematic, explicit phonics, and
6 decoding skills.

7 (ii) A strong literature, language, and comprehension component
8 with a balance of oral and written language.

9 (iii) Ongoing diagnostic techniques that inform teaching and
10 assessment.

11 (iv) Early intervention techniques.

12 (v) Guided practice in a clinical setting.

13 (B) For the purposes of this section, “direct, systematic, explicit
14 phonics” means phonemic awareness, spelling patterns, the direct
15 instruction of sound/symbol codes and practice in connected text
16 and the relationship of direct, systematic, explicit phonics to the
17 components set forth in clauses (i) to (v), inclusive.

18 A program for the multiple subjects credential also shall include
19 the study of integrated methods of teaching language arts.

20 (5) Completion of a subject matter program that has been
21 approved by the commission on the basis of standards of program
22 quality and effectiveness pursuant to Article 6 (commencing with
23 Section 44310) or passage of a subject matter examination pursuant
24 to Article 5 (commencing with Section 44280). The commission
25 shall ensure that subject matter standards and examinations are
26 aligned with the state content and performance standards for pupils
27 adopted pursuant to subdivision (a) of Section 60605.

28 (6) Demonstration of a knowledge of the principles and
29 provisions of the Constitution of the United States pursuant to
30 Section 44335.

31 (7) Commencing January 1, 2000, demonstration, in accordance
32 with the commission’s standards of program quality and
33 effectiveness, of basic competency in the use of computers in the
34 classroom as determined by one of the following:

35 (A) Successful completion of a commission-approved program
36 or course.

37 (B) Successful passage of an assessment that is developed,
38 approved, and administered by the commission.

1 (c) The minimum requirements for the professional clear
2 multiple or single subject teaching credential shall include all of
3 the following requirements:

4 (1) Possession of a valid preliminary teaching credential, as
5 prescribed in subdivision (b), possession of a valid equivalent
6 credential or certificate, or completion of equivalent requirements
7 as determined by the commission.

8 ~~(2) Subject to the availability of funds in the annual Budget Act~~
9 ~~to provide statewide access to eligible beginning teachers, as~~
10 ~~defined in subdivision (d) of Section 44279.1 and except~~ *Except*
11 as provided in paragraph (3), completion of a program of beginning
12 teacher induction, including one of the following:

13 (A) A program of beginning teacher support and assessment
14 approved by the commission and the Superintendent pursuant to
15 Section 44279.1, a provision of the Marian Bergeson Beginning
16 Teacher Support and Assessment System.

17 (B) An alternative program of beginning teacher induction that
18 is provided by one or more local educational agencies and has
19 been approved by the commission and the Superintendent on the
20 basis of initial review and periodic evaluations of the program in
21 relation to appropriate standards of credential program quality and
22 effectiveness that have been adopted by the commission, the
23 Superintendent, and the state board pursuant to this subdivision.
24 The standards for alternative programs shall encourage innovation
25 and experimentation in the continuous preparation and induction
26 of beginning teachers. Any alternative program of beginning
27 teacher induction that has met state standards pursuant to this
28 subdivision may apply for state funding pursuant to Sections
29 44279.1 and 44279.2.

30 (C) An alternative program of beginning teacher induction that
31 is sponsored by a regionally accredited college or university, in
32 cooperation with one or more local school districts, that addresses
33 the individual professional needs of beginning teachers and meets
34 the commission's standards of induction. The commission shall
35 ensure that preparation and induction programs that qualify
36 candidates for professional credentials extend and refine each
37 beginning teacher's professional skills in relation to the California
38 Standards for the Teaching Profession and the standards of pupil
39 performance adopted pursuant to Section 60605.

(3) (A) If a candidate satisfies the requirements of subdivision (b), including completion of an accredited internship program of professional preparation, and if that internship program fulfills induction standards and is approved as set forth in this subdivision, the commission shall determine that the candidate has fulfilled the requirements of paragraph (2).

(B) If an approved induction program is verified as unavailable to a beginning teacher, or if the beginning teacher is required under the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.) to complete subject matter coursework to be qualified for a teaching assignment, the commission shall accept completion of an approved fifth-year program after completion of a baccalaureate degree at a regionally accredited institution as fulfilling the requirements of paragraph (2). The commission shall adopt regulations to implement this subparagraph.

(4) Experience that includes the application of knowledge and skills previously acquired in a preliminary credential program, in accordance with commission standards, that addresses the following:

(A) Health education, including study of nutrition, cardiopulmonary resuscitation, and the physiological and sociological effects of abuse of alcohol, narcotics, and drugs and the use of tobacco. Training in cardiopulmonary resuscitation shall also meet the standards established by the American Heart Association or the American Red Cross.

(B) Field experience in methods of delivering appropriate educational services to pupils with exceptional needs in regular education programs.

(C) Advanced computer-based technology, including the uses of technology in educational settings.

(d) The commission shall develop and implement standards of program quality and effectiveness that provide for the areas of application listed in subparagraphs (A) to (C), inclusive, of paragraph (4) of subdivision (c), starting in professional preparation and continuing through induction.

(e) A credential that was issued prior to January 1, 1993, shall remain in force as long as it is valid under the laws and regulations that were in effect on the date it was issued. The commission may not, by regulation, invalidate an otherwise valid credential, unless it issues to the holder of the credential, in substitution, a new

1 credential authorized by another provision in this chapter that is
2 no more restrictive than the credential for which it was substituted
3 with respect to the kind of service authorized and the grades,
4 classes, or types of schools in which it authorizes service.

5 (f) A credential program that is approved by the commission
6 may not deny an individual access to that program solely on the
7 grounds that the individual obtained a teaching credential through
8 completion of an internship program when that internship program
9 has been accredited by the commission.

10 (g) Notwithstanding this section, persons who were performing
11 teaching services as of January 1, 1999, pursuant to the language
12 of this section that was in effect prior to that date, may continue
13 to perform those services without complying with any requirements
14 that may be added by the amendments adding this subdivision.

15 (h) Subparagraphs (A) and (B) of paragraph (4) of subdivision
16 (b) do not apply to any person who, as of January 1, 1997, holds
17 a multiple or single subject teaching credential, or to any person
18 enrolled in a program of professional preparation for a multiple
19 or single subject teaching credential as of January 1, 1997, who
20 subsequently completes that program. It is the intent of the
21 Legislature that the requirements of subparagraphs (A) and (B) of
22 paragraph (4) of subdivision (b) be applied only to persons who
23 enter a program of professional preparation on or after January 1,
24 1997.

25 *SEC. 9. Section 45023.1 of the Education Code is amended to*
26 *read:*

27 45023.1. (a) Commencing with the 2000–01 fiscal year, the
28 governing board of a school district, the county superintendent of
29 schools, or the county board of education may increase, for teachers
30 meeting the requirements prescribed by this section, the salary on
31 its adopted certificated employee salary schedule as provided in
32 subdivision (b). For purposes of this section, ~~any~~ a teacher for
33 whom the governing board, county superintendent of schools, or
34 county board of education may increase salaries shall meet all of
35 the following criteria:

36 (1) Hold a valid California teaching credential, not including
37 an emergency permit, intern certificate or credential, or waiver.

38 (2) Possess a baccalaureate or higher degree.

39 (3) Receive a salary paid through the general fund of the district
40 or county office.

(b) The governing board, county superintendent of schools, or county board of education that increases its salaries pursuant to subdivision (a) shall perform the following computations:

(1) The governing board, county superintendent of schools, or county board of education shall designate as the lowest salary on the salary schedule for a certificated employee meeting the criteria in subdivision (a) an amount that is at least an annual salary of thirty-four thousand dollars (\$34,000) in the 2000–01 fiscal year.

(2) The governing board, county superintendent of schools, or county board of education shall increase to the annual salary amount in paragraph (1) the salary of any certificated employee meeting the criteria in subdivision (a) whose salary on the salary schedule for the 1999–2000 fiscal year was less than the amount computed in paragraph (1) and, notwithstanding Section 45028, shall incorporate that increase into the salary schedule commencing with the 2000–01 fiscal year.

(c) Each school district or county office of education that increases its beginning teacher annual minimum salary to thirty-four thousand dollars (\$34,000) pursuant to subdivision (b) shall elect, except as provided in subdivision (j), to receive reimbursement for the cost of the increase pursuant to only one of the following two options:

(1) Option One:

(A) In fiscal year 2000–01, a school district, county superintendent of schools, or county office of education that increases salaries pursuant to paragraph (2) of subdivision (b) and selects reimbursement Option One shall receive an amount equal to six dollars (\$6) times the district’s or county office’s second principal apportionment average daily attendance for the 1999–2000 fiscal year, excluding attendance in adult education programs and charter schools participating in the charter school block grant pursuant to Article 2 (commencing with Section 47633) of Chapter 6 of Part 26.8.

(B) Divide the amount received from the state pursuant to subparagraph (A) for the 2000–01 fiscal year by the school district or county office of education second principal apportionment average daily attendance for the 1999–2000 fiscal year, excluding attendance in adult education programs and charter schools participating in the charter school block grant pursuant to Article 2 (commencing with Section 47633) of Chapter 6 of Part 26.8.

1 (C) For the 2001–02 fiscal year and each fiscal year thereafter,
2 for each school district that increases its salaries pursuant to
3 subdivision (a), the Superintendent of ~~Public Instruction~~ shall sum
4 the results of paragraphs (i) and (ii) and add that figure to the total
5 school district revenue limit computed pursuant to Section 42238:

6 (i) Annually increase the funding rate per unit of average daily
7 attendance specified in subparagraph (B) by the percentage increase
8 pursuant to subdivision (b) of Section 42238.1 and multiply the
9 resulting product by the school district’s second principal
10 apportionment average daily attendance for the current fiscal year
11 excluding attendance in regional occupational centers/programs,
12 adult education programs, and charter schools participating in the
13 charter school block grant pursuant to Article 2 (commencing with
14 Section 47633) of Chapter 6 of Part 26.8.

15 (ii) Annually increase the funding rate per unit of average daily
16 attendance specified in subparagraph (B) by the percentage increase
17 pursuant to subdivision (b) of Section 42238.1 and multiply the
18 resulting product by the school district’s second principal
19 apportionment average daily attendance for the current fiscal year
20 in regional occupational centers/programs excluding attendance
21 in charter schools participating in the charter school block grant
22 pursuant to Article 2 (commencing with Section 47633) of Chapter
23 6 of Part 26.8.

24 (D) For the 2001–02 fiscal year and each fiscal year thereafter,
25 for each county office of education that increases its salaries
26 subdivision (a), the Superintendent of ~~Public Instruction~~ shall add
27 the sum of paragraphs (i) and (ii) to the county office of education
28 revenue limit computed pursuant to Section 2550:

29 (i) Annually increase the funding rate per unit of average daily
30 attendance specified in subparagraph (B) by the percentage increase
31 identified pursuant to Section 2557 and multiply the resulting
32 product by the county office of education’s second principal
33 apportionment average daily attendance for the current fiscal year
34 excluding attendance in regional occupational centers/programs,
35 adult education programs, and charter schools participating in the
36 charter school block grant pursuant to Article 2 (commencing with
37 Section 47633) of Chapter 6 of Part 26.8.

38 (ii) Annually increase the funding rate per unit of average daily
39 attendance specified in subparagraph (B) by the percentage increase
40 identified pursuant to Section 2557 and multiply the resulting

1 product by the county office of education's second principal
2 apportionment average daily attendance for the current fiscal year
3 in regional occupational centers/programs excluding attendance
4 in charter schools participating in the charter school block grant
5 pursuant to Article 2 (commencing with Section 47633) of Chapter
6 of Part 26.8.

7 (E) The school district, county superintendent of schools, or
8 county office of education shall utilize these incentive funds not
9 only to meet the new beginning teacher annual minimum salary
10 of thirty-four thousand dollars (\$34,000), but may also use the
11 funds to generally enhance teachers' salaries in order to achieve
12 the goals of retention of qualified, competent, and experienced
13 teachers and the attainment of a reasonable salary commensurate
14 with a teacher's experience, education, and responsibilities.

15 (2) Option Two: A school district, county superintendent of
16 schools, or county office of education may submit a request to the
17 Superintendent of Public Instruction, on a form supplied by the
18 Superintendent of Public Instruction, for state funding computed
19 as follows:

20 (A) Total the salaries of all certificated employees receiving
21 increased salaries up to a maximum of thirty-four thousand dollars
22 (\$34,000) per person pursuant to subdivision (b) for the 2000–01
23 fiscal year.

24 (B) Total all salaries, based on the salary schedule for the
25 2000–01 fiscal year before the increase made pursuant to
26 subdivision (b), of all certificated employees receiving increased
27 salaries pursuant to subdivision (b).

28 (C) Subtract the amount in subparagraph (B) from the amount
29 in subparagraph (A).

30 (D) Multiply the amount in subparagraph (C) by the district's
31 statutory benefit rates.

32 (E) For the 2000–01 fiscal year, a school district, county
33 superintendent of schools, or county office of education that
34 increases salaries pursuant to paragraph (2) of subdivision (b) and
35 selects reimbursement Option Two shall receive the sum of
36 paragraphs (C) and (D).

37 (F) Divide the sum of the amounts received pursuant to
38 paragraphs (C) and (D) for the 2000–01 fiscal year by the school
39 district and county office of education average daily attendance
40 for the second principal apportionment for the 2000–01 fiscal year,

1 excluding attendance in adult education programs and charter
2 schools participating in the charter school block grant pursuant to
3 Article 2 (commencing with Section 47633) of Chapter 6 of Part
4 26.8.

5 (G) For the 2001–02 fiscal year and each fiscal year thereafter,
6 for each school district that increases its salaries pursuant to
7 subdivision (a), the Superintendent of ~~Public Instruction~~ shall sum
8 the results of paragraphs (i) and (ii) and add that figure to the total
9 school district revenue limit computed pursuant to Section 42238:

10 (i) Annually increase the funding rate per unit of average daily
11 attendance calculated pursuant to subparagraph (F) by the
12 percentage increase pursuant to subdivision (b) of Section 42238.1
13 and multiply the resulting product by the school district's second
14 principal apportionment average daily attendance for the current
15 fiscal year excluding attendance in regional occupational
16 centers/programs, adult education programs, and charter schools
17 participating in the charter school block grant pursuant to Article
18 2 (commencing with Section 47633) of Chapter 6 of Part 26.8.

19 (ii) Annually increase the funding rate per unit of average daily
20 attendance calculated pursuant to subparagraph (F) by the
21 percentage increase pursuant to subdivision (b) of Section 42238.1
22 and multiply the resulting product by the school district's second
23 principal apportionment average daily attendance for the current
24 fiscal year in regional occupational centers/programs excluding
25 attendance in charter schools participating in the charter school
26 block grant pursuant to Article 2 (commencing with Section 47633)
27 of Chapter 6 of Part 26.8.

28 (H) For the 2001–02 fiscal year and each fiscal year thereafter,
29 for each county office of education that increases its salaries
30 subdivision (a), the Superintendent of ~~Public Instruction~~ shall add
31 the sum of paragraphs (i) and (ii) to the county office of education
32 revenue limit computed pursuant to Section 2550:

33 (i) Annually increase the funding rate per unit of average daily
34 attendance calculated pursuant to subparagraph (F) by the
35 percentage increase identified pursuant to Section 2557 and
36 multiply the resulting product by the county office of education's
37 second principal apportionment average daily attendance for the
38 current fiscal year excluding attendance in regional occupational
39 centers/programs, adult education programs, and charter schools

1 participating in the charter school block grant pursuant to Article
2 2 (commencing with Section 47633) of Chapter 6 of Part 26.8.

3 (ii) Annually increase the funding rate per unit of average daily
4 attendance calculated pursuant to subparagraph (F) by the
5 percentage increase identified pursuant to Section 2557 and
6 multiply the resulting product by the county office of education's
7 second principal apportionment average daily attendance for the
8 current fiscal year in regional occupational centers/programs
9 excluding attendance in charter schools participating in the charter
10 school block grant pursuant to Article 2 (commencing with Section
11 47633) of Chapter 6 of Part 26.8.

12 *(3) For purposes of the calculation required by clause (ii) of*
13 *subparagraph (C) of paragraph (1), clause (ii) of subparagraph*
14 *(D) of paragraph (1), clause (ii) of subparagraph (G) of paragraph*
15 *(2), and clause (ii) of subparagraph (H) of paragraph (2), in the*
16 *2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years,*
17 *a school district's and county office of education's second principal*
18 *apportionment average daily attendance for the current fiscal year*
19 *shall be the second principal apportionment average daily*
20 *attendance for the 2007–08 fiscal year.*

21 (d) ~~Any state~~ State funds received pursuant to this section and
22 not used pursuant to the conditions of this section shall be returned
23 to the state.

24 (e) If the funds requested by the school districts, the county
25 superintendents of schools, and the county offices of education
26 for the 2000–01 fiscal year exceed the state appropriation for this
27 section, the Superintendent of ~~Public Instruction~~ shall reduce all
28 requests by the application of a single, common percentage factor
29 for apportionment purposes, so as not to exceed the amount
30 appropriated for this purpose.

31 (f) A school district or county office of education shall receive
32 reimbursement pursuant to subdivision (c) only. However, this
33 section does not prohibit a school district and its employees from
34 negotiating salary schedules.

35 (g) The adjustments to school district and county office of
36 education revenue limits prescribed in subparagraphs (C) and (D)
37 of paragraph (1) of subdivision (c) and subparagraphs (G) and (H)
38 of paragraph (2) of subdivision (c), respectively, shall continue so
39 long as the increase in the salary schedule made pursuant to
40 paragraph (2) of subdivision (b) or subdivision (i) is maintained.

(h) The Superintendent of Public Instruction shall issue appropriate forms to school districts and county offices of education no later than September 1, 2000. School districts, county superintendents of schools, or county offices of education shall notify the Superintendent of Public Instruction no later than September 30, 2001, regarding which option they wish to exercise for the 2000–01 fiscal year. School districts, county superintendents of schools, or county offices of education shall file their claim form for state funds with the Superintendent of Public Instruction no later than September 30, 2001.

(i) Adjustments made to school district or county office of education revenue limits pursuant to subparagraphs (C) and (D) of paragraph (1) of subdivision (c) and subparagraphs (G) and (H) of paragraph (2) of subdivision (c), respectively, shall not be considered part of the base revenue limit for the purpose of computing equalization adjustments or determining other wealth-related differences in school funding.

(j) Notwithstanding subdivision (c), a school district or county office of education that already has as the annual minimum salary for beginning teachers who meet the criteria in subdivision (a) in an amount equal to or greater than thirty-four thousand dollars (\$34,000) shall be eligible to receive reimbursement pursuant to Option One.

SEC. 10. Section 45023.4 of the Education Code is amended to read:

45023.4. (a) This section shall be known, and may be cited, as the Jack O’Connell Beginning-Teacher Salary Incentive Program. Commencing in the 1999–2000 fiscal year the governing board of a school district, the county superintendent of schools, or the county board of education may increase, for teachers who meet the requirements of this subdivision, the salary on its adopted certificated employee salary schedule as provided in subdivision (b). ~~Any~~ A school district that elects to meet the requirements of this section shall be eligible to receive the incentive amount provided by subdivision (c). For purposes of this section, ~~any~~ a teacher for whom the governing board, county superintendent of schools, or county board of education may increase salaries shall meet all of the following criteria:

(1) Hold a valid California teaching credential, not including an emergency permit, intern permit, or waiver.

1 (2) Possess a baccalaureate or higher degree.

2 (3) Receive a salary paid from the general fund of the district
3 or county office.

4 (b) The governing board, county superintendent of schools, or
5 county board of education that elects to increase teachers' salaries
6 as authorized pursuant to subdivision (a) shall perform the
7 following computations:

8 (1) The governing board, county superintendent of schools, or
9 county board of education shall designate as the lowest salary on
10 the salary schedule for a certificated employee meeting or
11 exceeding the criteria in subdivision (a) an amount equal to a
12 minimum annual salary of thirty-two thousand dollars (\$32,000).
13 If this salary change results in costs to the school district or county
14 office of education that are equal to or greater than the incentive
15 received pursuant to subdivision (c), the minimum salary shall be
16 thirty-two thousand dollars (\$32,000). If this salary change results
17 in costs to the school districts or county offices of education that
18 are less than the incentive received, the remainder shall be used
19 to increase the beginning salary by an amount above thirty-two
20 thousand dollars (\$32,000) which fully applies the incentive
21 received.

22 (2) The governing board, county superintendent of schools, or
23 county board of education shall increase to the annual salary
24 amount in paragraph (1) the salary of ~~any~~ a certificated employee
25 meeting the criteria in subdivision (a) whose salary on the salary
26 schedule is less than the amount computed in paragraph (1) and,
27 notwithstanding Section 45028, shall incorporate that increase into
28 the salary schedule.

29 (3) The newly adopted salary schedule shall contain only one
30 cell that meets the amount set forth in paragraph (1), which most
31 often is the first-year step of a salary schedule column for
32 certificated personnel who meet the criteria set forth in subdivision
33 (a). All other salary schedule cells shall exceed the level set forth
34 in paragraph (1) for personnel that meet the criteria in subdivision
35 (a).

36 (c) In the 1999–2000 fiscal year, the Superintendent of ~~Public~~
37 ~~Instruction~~ shall divide the amount appropriated for the purposes
38 of this section by the 1998–99 second principal apportionment
39 average daily attendance for all school districts and county offices
40 of education in the state. Each school district and county office of

1 education that certifies to the Superintendent of Public Instruction
2 that it is in full compliance with this section shall receive following
3 that certification an amount equal to the results of the calculation
4 multiplied by the participating school district's or county office's
5 1998–99 second principal apportionment average daily attendance.

6 (d) For the 2000–01 fiscal year and each fiscal year thereafter,
7 for each school district that meets the requirements of subdivision
8 (b), the Superintendent of Public Instruction shall sum the results
9 of paragraphs (1) and (2) and add that figure to the total school
10 district revenue limit computed pursuant to Section 42238.

11 (1) Annually increase the statewide average funding rate per
12 unit of average daily attendance calculated pursuant to subdivision
13 (c) by the percentage increase computed pursuant to subdivision
14 (b) of Section 42238.1 and multiply the resulting product by the
15 school district's second period average daily attendance for the
16 prior fiscal year excluding attendance in regional occupational
17 centers and programs, adult education programs, and charter
18 schools participating in the charter school block grant pursuant to
19 Article 2 (commencing with Section 47633) of Chapter 6 of Part
20 26.8.

21 (2) Annually increase the statewide average funding rate per
22 unit of average daily attendance calculated pursuant to subdivision
23 (c) by the percentage increase computed pursuant to subdivision
24 (b) of Section 42238.1 and multiply the resulting product by the
25 school district's second period average daily attendance for the
26 prior fiscal year in regional occupational centers and programs,
27 excluding attendance in charter schools participating in the charter
28 school block grant pursuant to Article 2 (commencing with Section
29 47633) of Chapter 6 of Part 26.8.

30 (3) *For purposes of the calculation required by paragraph (2),*
31 *in the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal*
32 *years, the second period average daily attendance for the prior*
33 *fiscal year shall be the second period average daily attendance*
34 *for the 2007–08 fiscal year.*

35 (e) For the 2000–01 fiscal year and each fiscal year thereafter,
36 for each county office of education that meets the requirements of
37 subdivision (b), the Superintendent of Public Instruction shall add
38 the sum of paragraphs (1) and (2) to the county office of education
39 revenue limit computed pursuant to Section 2550.

(1) Annually increase the statewide average funding rate per unit of average daily attendance calculated pursuant to subdivision (c) by the percentage increase identified pursuant to Section 2557 and multiply the resulting product by the county office of education's second period average daily attendance for the prior fiscal year excluding attendance in regional occupational centers or programs, adult education programs, and charter schools participating in the charter school block grant pursuant to Article 2 (commencing with Section 47633) of Chapter 6 of Part 26.8.

(2) Annually increase the statewide average funding rate per unit of average daily attendance calculated pursuant to subdivision (c) by the percentage increase identified pursuant to Section 2557 and multiply the resulting product by the county office of education's second period average daily attendance for the prior fiscal year in regional occupational centers or programs excluding attendance in charter schools participating in the charter school block grant pursuant to Article 2 (commencing with Section 47633) of Chapter 6 of Part 26.8.

(3) For purposes of the calculation required by paragraph (2), in the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years, the second period average daily attendance for the prior fiscal year shall be the second period average daily attendance for the 2007–08 fiscal year.

(f) The adjustment to the school district and county office of education revenue limit prescribed in subdivisions (d) and (e) shall continue so long as the increase in the salary schedule made pursuant to paragraph (2) of subdivision (b) is maintained.

(g) The adjustment made to school district or county office of education revenue limits pursuant to subdivisions (d) and (e) shall not be considered part of the base revenue limit for purposes of computing equalization adjustments or determining other differences in school funding that are based on the amount of funding received by a school district or county office of education.

(h) This section does not prohibit a school district and its employees from negotiating salary schedules.

SEC. 11. Section 46010.2 of the Education Code is amended to read:

46010.2. (a) For the purpose of determining “changes in enrollment” pursuant to subdivision (b) of Section 8 of Article XVI of the California Constitution, as required by subdivision (d)

of Section 41204, the total days of attendance by pupils in schools and classes maintained by a school district shall, in the 1997–98 fiscal year, be separately determined both as if subdivision (b) of Section 46010, as it read in the 1997–98 fiscal year, did and did not apply. The days of attendance figure resulting from the application of subdivision (b) of Section 46010 shall be used in calculating average daily attendance for comparison with average daily attendance in the 1996–97 fiscal year. The days of attendance figure determined without applying subdivision (b) of Section 46010 shall be used in calculating average daily attendance for comparison with average daily attendance in the 1998–99 fiscal year.

(b) For the purpose of determining “changes in enrollment” for the 2008–09 fiscal year pursuant to subdivision (b) of Section 8 of Article XVI of the California Constitution, as required by subdivision (d) of Section 41204, the total days of attendance by pupils in schools and classes maintained by a school district, in the 2007–08 fiscal year, shall be separately determined both as if the California School Age Families Education Program (Cal-SAFE), as set forth in Article 7.1 (commencing with Section 54740) of Chapter 9 of Part 29, as it read on January 1, 2008, did and did not apply. The days of attendance figure resulting from the application of the Cal-SAFE program shall be used in calculating average daily attendance for comparison with average daily attendance in the 2006–07 fiscal year. The days of attendance figure determined without applying the Cal-SAFE program shall be used in calculating average daily attendance for comparison with average daily attendance in the 2008–09 fiscal year.

SEC. 12. Section 52055.60 is added to the Education Code, to read:

52055.60. (a) Notwithstanding any other law, for the 2008–09 to the 2012–13 fiscal years, inclusive, a school, school district, county office of education, or charter school that has been identified for program improvement under the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301), or a school district or county office of education that has received a federal corrective action sanction by the state board pursuant to subdivision (b) of Section 52055.57, shall not be required to implement with funds allocated pursuant to Section 42605 the program requirements set forth in the Mathematics and Reading Professional

1 *Development Program (Article 3 (commencing with Section 99230)*
2 *of Chapter 5 of Part 65 of Division 14 of Title 3) or the*
3 *Administrator Training Program (Article 4.6 (commencing with*
4 *Section 44510) of Chapter 3 of Part 25 of Division 3).*

5 *(b) Notwithstanding any other law, for the 2008–09 to the*
6 *2012–13 fiscal years, inclusive, the department and the state board*
7 *shall not prohibit a school, school district, county office of*
8 *education, or charter school identified for program improvement*
9 *pursuant to the federal No Child Left Behind Act of 2001 or a*
10 *school district or county office of education that has received a*
11 *federal corrective action sanction by the state board pursuant to*
12 *subdivision (b) of Section 52055.57, from utilizing the flexibility*
13 *provisions established in Section 42605.*

14 *(c) This section does not prohibit a school, county office of*
15 *education, or charter school that has been identified for program*
16 *improvement pursuant to the federal No Child Left Behind Act of*
17 *2001, or a school district or county office of education sanctioned*
18 *pursuant to subdivision (c) of Section 52055.57, from implementing*
19 *professional development activities for administrators, teachers,*
20 *and school employees to fulfill the sanction imposed pursuant to*
21 *paragraph (6) of subdivision (c) of Section 52055.57.*

22 *(d) This section shall become inoperative on July 1, 2013, and,*
23 *as of January 1, 2014, is repealed, unless a later enacted statute,*
24 *that becomes operative on or before January 1, 2014, deletes or*
25 *extends the dates on which it becomes inoperative and is repealed.*

26 *SEC. 13. Section 52124.3 of the Education Code is amended*
27 *to read:*

28 *52124.3. (a) For the 2008–09, 2009–10, 2010–11, and 2011–12*
29 *fiscal years only, the amounts deducted pursuant to subdivision*
30 *(d) of Section 52124 shall be as follows:*

31 *(1) Five percent of the amount to which the school district would*
32 *otherwise be eligible for each class for which the annual average*
33 *enrollment determined pursuant to Section 52124.5 is greater than*
34 *or equal to 20.5 but less than 21.5.*

35 *(2) Ten percent of the amount to which the school district would*
36 *otherwise be eligible for each class for which the annual average*
37 *enrollment determined pursuant to Section 52124.5 is greater than*
38 *or equal to 21.5 but less than 22.5.*

39 *(3) Fifteen percent of the amount to which the school district*
40 *would otherwise be eligible for each class for which the annual*

1 average enrollment determined pursuant to Section 52124.5 is
2 greater than or equal to 22.5 but less than 23.0.

3 (4) Twenty percent of the amount to which the school district
4 would otherwise be eligible for each class for which the annual
5 average enrollment determined pursuant to Section 52124.5 is
6 greater than or equal to 23.0 but less than 25.0.

7 (5) Thirty percent of the amount to which the school district
8 would otherwise be eligible for each class for which the annual
9 average enrollment determined pursuant to Section 52124.5 is
10 greater than or equal to 25.0.

11 (b) ~~A For the 2008–09, 2009–10, 2010–11, and 2011–12 fiscal~~
12 ~~years, a local educational agency is eligible to receive funding~~
13 ~~pursuant to this section chapter only if it was participating in the~~
14 ~~K–3 Class Size Reduction Program as of December 10, 2008. An~~
15 ~~eligible local educational agency may only receive funding for the~~
16 ~~grade level or levels for which it had applied to receive funding~~
17 ~~as of December 10, 2008 for the same number of classes for which~~
18 ~~it had applied to receive program funding as of January 31, 2009.~~
19 *A local educational agency that meets these criteria is eligible for*
20 *reduced funding under this section only for the number of classes*
21 *reported on its 2008–09 operations application and is not eligible*
22 *for funds under this chapter for classes in addition to that number.*

23 SEC. 14. Section 7906 of the Government Code is amended to
24 read:

25 7906. For school districts:

26 (a) “ADA” means a school district’s second principal
27 apportionment units of average daily attendance as determined
28 pursuant to Section 42238.5 of the Education Code, including
29 average daily attendance in summer school, regional occupational
30 centers and programs, and apprenticeship programs, and excluding
31 average daily attendance in adult education programs. All other
32 units of average daily attendance including, but not limited to,
33 special day classes for special education pupils, shall be included.

34 (1) For purposes of this subdivision, the average daily attendance
35 of summer school programs shall be determined pursuant to
36 subparagraph (F) of paragraph (1) of subdivision (a) of Section
37 14022.5 of the Education Code.

38 (2) For purposes of this subdivision, the average daily attendance
39 of apprenticeship programs shall be determined pursuant to

1 subparagraph (D) of paragraph (1) of subdivision (a) of Section
2 14022.5 of the Education Code.

3 (3) *For the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13*
4 *fiscal years, the average daily attendance of public school districts,*
5 *including county superintendents of schools, serving kindergarten*
6 *and grades 1 to 12, inclusive, or any part thereof, shall include*
7 *the same amount of average daily attendance for classes for*
8 *supplemental instruction and regional occupational centers*
9 *programs that was used for the purposes of this section for the*
10 *2007–08 fiscal year.*

11 (b) “Foundation program level” means:

12 (1) For the 1978–79 fiscal year, one thousand two hundred
13 forty-one dollars (\$1,241) for elementary districts, one thousand
14 three hundred twenty-two dollars (\$1,322) for unified districts,
15 and one thousand four hundred twenty-seven dollars (\$1,427) for
16 high school districts.

17 (2) For the 1979–80 fiscal year through the 1986–87 fiscal year,
18 inclusive, the levels specified in paragraph (1) increased by the
19 lesser of the change in cost of living or California per capita
20 personal income for the preceding calendar year.

21 (3) For the 1986–87 fiscal year, the levels specified in paragraph
22 (2) increased by one hundred eighty dollars (\$180) for elementary
23 districts, one hundred ninety-one dollars (\$191) for unified districts,
24 and two hundred seven dollars (\$207) for high school districts.

25 (4) For the 1987–88 fiscal year, the levels specified in paragraph
26 (3) increased by the lesser of the change in cost of living or
27 California per capita personal income for the preceding calendar
28 year.

29 (5) For the 1988–89 fiscal year and each fiscal year thereafter,
30 the foundation program level shall be the appropriations limit of
31 the school district for the current fiscal year, plus amounts paid
32 for any nonreimbursed court or federal mandates imposed on or
33 after November 6, 1979, less the sum of the following:

34 (A) Interest earned on the proceeds of taxes during the current
35 fiscal year.

36 (B) The 50 percent of miscellaneous funds received during the
37 current fiscal year which are from the proceeds of taxes.

38 (C) Locally voted taxes received during the current fiscal year,
39 such as parcel taxes or square foot taxes, unless for voter-approved
40 bonded debt.

1 (D) Any other local proceeds of taxes received during the current
2 fiscal year, other than local taxes which count towards the revenue
3 limit, such as excess bond revenues transferred to a district's
4 general fund pursuant to Section 15234 of the Education Code.

5 (c) "Proceeds of taxes" shall be deemed to include subventions
6 received from the state only if those subventions are for one of the
7 following two purposes:

8 (1) Basic aid subventions of one hundred twenty dollars (\$120)
9 per ADA.

10 (2) Additional apportionments which, when added to the
11 district's local revenues as defined in Section 42238 of the
12 Education Code, do not exceed the foundation program level for
13 that district. In no case shall subventions received from the state
14 for reimbursement of state mandates in accordance with the
15 provisions of Section 6 of Article XIII B of the California
16 Constitution or of Section 17561 or for reimbursement of court or
17 federal mandates imposed on or after November 6, 1979, be
18 considered "proceeds of taxes" for the purposes of this section.

19 (d) Proceeds of taxes for a fiscal year shall not include any
20 proceeds of taxes within the district's beginning balance or reserve,
21 unless those funds were not appropriated in a prior fiscal year.
22 Funds that were appropriated to a reserve or other fund referenced
23 in Section 5 of Article XIII B of the California Constitution shall
24 be deemed to be appropriated for the purpose of this paragraph.

25 (e) The remainder of the state apportionments, including special
26 purpose apportionments and categorical aid subventions shall not
27 be considered proceeds of taxes for a school district.

28 (f) Each school district shall report to the Superintendent of
29 Public Instruction and to the Director of Finance at least annually
30 its appropriation limit, its appropriations subject to limitation, the
31 amount of its state aid apportionments and subventions included
32 within the proceeds of taxes of the school district, and amounts
33 excluded from its appropriations limit, at a time and in a manner
34 prescribed by the Superintendent of Public Instruction and
35 approved by the Director of Finance.

36 (g) For the 1988–89 fiscal year and each fiscal year thereafter,
37 nothing in paragraph (2) of subdivision (c) shall be so construed
38 as to require that the amount determined pursuant to subdivision
39 (b) be multiplied by the amount determined pursuant to subdivision

(a) for purposes of determining the amount of state aid included in school district “proceeds of taxes” for purposes of this section.

SEC. 15. Section 8880.5 of the Government Code is amended to read:

8880.5. Allocations for education:

The California State Lottery Education Fund is created within the State Treasury, and is continuously appropriated for carrying out the purposes of this chapter. The Controller shall draw warrants on this fund and distribute them quarterly in the following manner, provided that the payments specified in subdivisions (a) to (g), inclusive, shall be equal per capita amounts.

(a) (1) Payments shall be made directly to public school districts, including county superintendents of schools, serving kindergarten and grades 1 to 12, inclusive, or any part thereof, on the basis of an equal amount for each unit of average daily attendance, as defined by law and adjusted pursuant to subdivision (l).

(2) *For purposes of this paragraph, in each of the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years, the number of units of average daily attendance in each of those fiscal years for programs for public school districts, including county superintendents of schools, serving kindergarten and grades 1 to 12, inclusive, shall include the same amount of average daily attendance for classes for adults and regional occupational centers and programs used in the calculation made pursuant to this subdivision for the 2007–08 fiscal year.*

(b) Payments shall also be made directly to public school districts serving community colleges, on the basis of an equal amount for each unit of average daily attendance, as defined by law.

(c) Payments shall also be made directly to the Board of Trustees of the California State University on the basis of an amount for each unit of equivalent full-time enrollment. Funds received by the trustees shall be deposited in and expended from the California State University Lottery Education Fund, which is hereby created or, at the discretion of the trustees, deposited in local trust accounts in accordance with subdivision (j) of Section 89721 of the Education Code.

1 (d) Payments shall also be made directly to the Regents of the
2 University of California on the basis of an amount for each unit
3 of equivalent full-time enrollment.

4 (e) Payments shall also be made directly to the Board of
5 Directors of the Hastings College of the Law on the basis of an
6 amount for each unit of equivalent full-time enrollment.

7 (f) Payments shall also be made directly to the Department of
8 the Youth Authority for educational programs serving kindergarten
9 and grades 1 to 12, inclusive, or any part thereof, on the basis of
10 an equal amount for each unit of average daily attendance, as
11 defined by law.

12 (g) Payments shall also be made directly to the two California
13 Schools for the Deaf, the California School for the Blind, and the
14 three Diagnostic Schools for Neurologically Handicapped Children,
15 on the basis of an amount for each unit of equivalent full-time
16 enrollment.

17 (h) Payments shall also be made directly to the State Department
18 of Developmental Services and the State Department of Mental
19 Health for clients with developmental or mental disabilities who
20 are enrolled in state hospital education programs, including
21 developmental centers, on the basis of an equal amount for each
22 unit of average daily attendance, as defined by law.

23 (i) No Budget Act or other statutory provision shall direct that
24 payments for public education made pursuant to this chapter be
25 used for purposes and programs (including workload adjustments
26 and maintenance of the level of service) authorized by Chapters
27 498, 565, and 1302 of the Statutes of 1983, Chapter 97 or 258 of
28 the Statutes of 1984, or Chapter 1 of the Statutes of the 1983–84
29 Second Extraordinary Session.

30 (j) School districts and other agencies receiving funds distributed
31 pursuant to this chapter may at their option utilize funds allocated
32 by this chapter to provide additional funds for those purposes and
33 programs prescribed by subdivision (i) for the purpose of
34 enrichment or expansion.

35 (k) As a condition of receiving any moneys pursuant to
36 subdivision (a) or (b), each district and county superintendent of
37 schools shall establish a separate account for the receipt and
38 expenditure of those moneys, which account shall be clearly
39 identified as a lottery education account.

(l) Commencing with the 1998–99 fiscal year, and each year thereafter, for the purposes of subdivision (a), average daily attendance shall be increased by the statewide average rate of excused absences for the 1996–97 fiscal year as determined pursuant to the provisions of Chapter 855 of the Statutes of 1997. The statewide average excused absence rate, and the corresponding adjustment factor required for the operation of this subdivision, shall be certified to the State Controller by the Superintendent of Public Instruction.

(m) It is the intent of this chapter that all funds allocated from the California State Lottery Education Fund shall be used exclusively for the education of pupils and students and no funds shall be spent for acquisition of real property, construction of facilities, financing of research, or any other noninstructional purpose.

SEC. 16. Item 6110-488 of Section 2.00 of the Budget Act of 2008 (Chapters 268 and 269), as amended by Section 30 of Chapter 12 of the Statutes of 2009, Third Extraordinary Session, is amended to read:

6110-488—Reappropriation (Proposition 98), Department of Education. Notwithstanding any other provision of law, the unobligated balances from the following items are available for reappropriation for the purposes specified in Provisions 3, 4, and 5:

0001—General Fund

- (1) \$12,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for preschool education and child care programs in Schedules (1) and (1.5) of Item 6110-196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), as carried forward per Provision 1 of Item 6110-196-0001 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).
- (2) \$1,441,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for preschool education and child care programs in Schedules (1) and (1.5) of Item 6110-196-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004), as carried forward per Provision 1 of Item 6110-196-0001

- 1 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
2 2006).
- 3 (3) \$3,663,000 or whatever greater or lesser amount re-
4 flects the unexpended balance of the amount appropri-
5 ated for preschool education and child care programs
6 in Schedules (1) and (1.5) of Item 6110-196-0001 of
7 the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005),
8 \$1,749,000 of which was carried forward per Provision
9 1 of Item 6110-196-0001 of the Budget Act of 2007
10 (Chs. 171 and 172, Stats. 2007).
- 11 (4) \$12,921,000 or whatever greater or lesser amount re-
12 flects the unexpended balance of the amount appropri-
13 ated for CalWORKs Stage 2 and Stage 3 child care in
14 Schedules (1.5)(e) and (1.5)(f) of Item 6110-196-0001
15 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
16 2006).
- 17 (6) \$18,120,000 or whatever greater or lesser amount re-
18 flects the unexpended balance of the amount appropri-
19 ated for preschool education and child care programs
20 in Schedules (1) and (1.5) of Item 6110-196-0001 of
21 the Budget Act of 2007 (Chs. 171 and 172, Stats.
22 2007), with the exception of Schedules (1.5)(e) and
23 (1.5)(f) for CalWORKs child care programs.
- 24 (7) \$8,000,000 of the amount appropriated to the Child
25 Care Facilities Revolving Fund established pursuant
26 to Section 8278.3 of the Education Code from Section
27 2.00 of the Budget Act of 2007 (Chs. 171 and 172,
28 Stats. 2007).
- 29 (8) \$5,000,000 or whatever greater or lesser amount re-
30 flects the unexpended balance of the amount appropri-
31 ated for the provision of wraparound care to children
32 enrolled in preschool programs pursuant to Section
33 8238.6 of the Education Code (Ch. 211, Stats. 2006).
- 34 (9) \$48,000 or whatever greater or lesser amount reflects
35 the unexpended funds from subdivision (a) of Section
36 9 of Chapter 734 of the Statutes of 1999.
- 37 (10) \$21,000 or whatever greater or lesser amount reflects
38 the unexpended balance of the amount appropriated
39 for Community-Based English Tutoring pursuant to

- 1 Section 315 of the Education Code, as enacted by
2 Proposition 227 in 1998.
- 3 (11) \$9,200,000 or whatever greater or lesser amount re-
4 flects the unexpended balance of the amount appropri-
5 ated for juvenile education in Item 5225-011-0001 of
6 the Budget Act of 2007 (Chs. 171 and 172, Stats.
7 2007).
- 8 (12) \$76,000 or whatever greater or lesser amount reflects
9 the unexpended balance of the amount appropriated
10 for Small School District Bus Replacement in
11 Schedule (2) of Item 6110-111-0001 of the Budget
12 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 13 (13) \$488,000 or whatever greater or lesser amount reflects
14 the unexpended balance of the amount appropriated
15 for Home to School Transportation in Schedule (1)
16 of Item 6110-111-0001 of the Budget Act of 2006
17 (Chs. 47 and 48, Stats. 2006).
- 18 (14) \$545,000 or whatever greater or lesser amount reflects
19 the unexpended balance of the amount appropriated
20 for the California High School Exit Examination in
21 Schedule (4) of Item 6110-113-0001 of the Budget
22 Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 23 (15) \$2,060,000 or whatever greater or lesser amount re-
24 flects the unexpended balance of the amount appropri-
25 ated for Assessment Review and Reporting and the
26 STAR Program in Schedules (1) and (2) of Item 6110-
27 113-0001 of the Budget Act of 2007 (Chs. 171 and
28 172, Stats. 2007).
- 29 (16) \$19,000 or whatever greater or lesser amount reflects
30 the unexpended balance of the amount appropriated
31 for transfer to the State School Fund for specialized
32 secondary programs in Item 6110-122-0001 of the
33 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 34 (17) \$17,000 or whatever greater or lesser amount reflects
35 the unexpended balance of the amount appropriated
36 for the Immediate Intervention/Underperforming
37 Schools Program Corrective Actions in Schedule (3)
38 of Item 6110-123-0001 of the Budget Act of 2005
39 (Chs. 38 and 39, Stats. 2005).

- 1 (18) \$2,993,000 or whatever greater or lesser amount re-
2 flects the unexpended balance of the amount appropri-
3 ated for the implementation of the Public Schools
4 Accountability Act of 1999 for the Immediate Inter-
5 vention/Underperforming Schools Program Corrective
6 Actions in Schedule (2) of Item 6110-123-0001 of the
7 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 8 (19) \$615,000 or whatever greater or lesser amount reflects
9 the unexpended balance of the amount appropriated
10 for the implementation of the Public Schools Account-
11 ability Act of 1999 for the Immediate Intervention/Un-
12 derperforming Schools Program Corrective Actions
13 in Schedule (2) of Item 6110-123-0001 of the Budget
14 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 15 (20) \$5,149,000 or whatever greater or lesser amount re-
16 flects the unexpended balance of the amount appropri-
17 ated for the English Language Learners Program in
18 Schedule (2) of Item 6110-125-0001 of the Budget
19 Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 20 (21) \$5,149,000 or whatever greater or lesser amount re-
21 flects the unexpended balance of the amount appropri-
22 ated for the English Language Acquisition Program
23 in Schedule (2) of Item 6110-125-0001 of the Budget
24 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 25 (22) \$109,000 or whatever greater or lesser amount reflects
26 the unexpended balance of the amount appropriated
27 for transfer to the State School Fund for Economic
28 Impact Aid in Schedule (1) of Item 6110-128-0001
29 of the Budget Act of 2005 (Chs. 38 and 39, Stats.
30 2005).
- 31 (23) \$4,000 or whatever greater or lesser amount reflects
32 the unexpended balance of the amount appropriated
33 for transfer to the State School Fund for Economic
34 Impact Aid in Item 6110-128-0001 of the Budget Act
35 of 2006 (Chs. 47 and 48, Stats. 2006).
- 36 (24) \$1,500,000 or whatever greater or lesser amount re-
37 flects the unexpended balance of the amount appropri-
38 ated for the Administrator Training Program in Item
39 6110-144-0001 of the Budget Act of 2007 (Chs. 171
40 and 172, Stats. 2007).

- 1 (25) \$7,000 or whatever greater or lesser amount reflects
2 the unexpended balance of the amount appropriated
3 for the American Indian Early Childhood Education
4 Program in Item 6110-150-0001 of the Budget Act
5 of 2006 (Chs. 47 and 48, Stats. 2006).
6 (26) \$110,000 or whatever greater or lesser amount reflects
7 the unexpended balance of the amount appropriated
8 for American Indian Education Centers in Schedule
9 (1) of Item 6110-151-0001 of the Budget Act of 2005
10 (Chs. 38 and 39, Stats. 2005).
11 (27) \$177,000 or whatever greater or lesser amount reflects
12 the unexpended balance of the amount appropriated
13 for American Indian Education Centers in Item 6110-
14 151-0001 of the Budget Act of 2006 (Chs. 47 and 48,
15 Stats. 2006).
16 (28) \$1,385,000 or whatever greater or lesser amount re-
17 flects the unexpended balance of the amount appropri-
18 ated for adults in correctional facilities in Item 6110-
19 158-0001 of the Budget Act of 2006 (Chs. 47 and 48,
20 Stats. 2006).
21 (29) \$107,000 or whatever greater or lesser amount reflects
22 the unexpended balance of the amount appropriated
23 for special education instruction in Schedule (1) of
24 Item 6110-161-0001 of the Budget Act of 2005 (Chs.
25 38 and 39, Stats. 2005).
26 (30) \$21,919,000 or whatever greater or lesser amount re-
27 flects the unexpended balance of the amount appropri-
28 ated for special education instruction in Schedule (1)
29 of Item 6110-161-0001 of the Budget Act of 2006
30 (Chs. 47 and 48, Stats. 2006).
31 (31) \$57,000 or whatever greater or lesser amount reflects
32 the unexpended balance of the amount appropriated
33 for vocational education for partnership academies in
34 Item 6110-166-0001 of the Budget Act of 2006 (Chs.
35 47 and 48, Stats. 2006).
36 (32) \$23,000 or whatever greater or lesser amount reflects
37 the unexpended balance of the amount appropriated
38 for the Agricultural Vocational Education Incentive
39 Program in Item 6110-167-0001 of the Budget Act
40 of 2005 (Chs. 38 and 39, Stats. 2005).

- 1 (33) \$369,000 or whatever greater or lesser amount reflects
2 the unexpended balance of the amount appropriated
3 for educational technology programs in Item 6110-
4 181-0001 of the Budget Act of 2005 (Chs. 38 and 39,
5 Stats. 2005).
- 6 (34) \$369,000 or whatever greater or lesser amount reflects
7 the unexpended balance of the amount transferred to
8 the State School Fund for educational technology
9 programs in Item 6110-181-0001 of the Budget Act
10 of 2006 (Chs. 47 and 48, Stats. 2006).
- 11 (35) \$27,000 or whatever greater or lesser amount reflects
12 the unexpended balance of the amount appropriated
13 for staff development for teacher peer review in
14 Schedule (2) of Item 6110-193-0001 of the Budget
15 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 16 (36) \$95,000 or whatever greater or lesser amount reflects
17 the unexpended balance of the amount appropriated
18 for the Bilingual Teacher Training Assistance Program
19 and teacher peer review in Schedules (1) and (2) of
20 Item 6110-193-0001 of the Budget Act of 2006 (Chs.
21 47 and 48, Stats. 2006).
- 22 (37) \$43,000 or whatever greater or lesser amount reflects
23 the unexpended balance of the amount appropriated
24 for transfer to the State School Fund for teacher dis-
25 missal apportionments in Item 6110-209-0001 of the
26 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 27 (38) \$13,000 or whatever greater or lesser amount reflects
28 the unexpended balance of the amount appropriated
29 for School Community Policing Partnership Compet-
30 itive Grants Program in Schedule (5) of Item 6110-
31 228-0001 of the Budget Act of 2004 (Ch. 208, Stats.
32 2004).
- 33 (39) \$21,000 or whatever greater or lesser amount reflects
34 the unexpended balance of the amount appropriated
35 for the International Baccalaureate Diploma Program
36 in Schedule (1) of Item 6110-240-0001 of the Budget
37 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 38 (40) \$6,000 or whatever greater or lesser amount reflects
39 the unexpended balance of the amount appropriated
40 for the Teacher Credentialing Block Grant Program

- 1 in Item 6110-244-0001 of the Budget Act of 2006
2 (Chs. 47 and 48, Stats. 2006).
- 3 (41) \$79,000 or whatever greater or lesser amount reflects
4 the unexpended balance of the amount appropriated
5 for the School and Library Improvement Block Grant
6 Program in Item 6110-247-0001 of the Budget Act
7 of 2006 (Chs. 47 and 48, Stats. 2006).
- 8 (42) \$186,000 or whatever greater or lesser amount reflects
9 the unexpended balance of the amount appropriated
10 for the School and Library Improvement Block Grant
11 Program in Item 6110-247-0001 of the Budget Act
12 of 2007 (Chs. 171 and 172, Stats. 2007).
- 13 (43) \$30,000 or whatever greater or lesser amount reflects
14 the unexpended balance of the amount appropriated
15 for the Physical Education Teacher Incentive Grant
16 Program in Item 6110-260-0001 of the Budget Act
17 of 2006 (Chs. 47 and 48, Stats. 2006).
- 18 (44) \$641,000 or whatever greater or lesser amount reflects
19 the unexpended balance of the amount appropriated
20 to county offices of education for site visits for
21 Williams audits in Item 6110-266-0001 of the Budget
22 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 23 (45) \$101,000 or whatever greater or lesser amount reflects
24 the unexpended balance of the amount appropriated
25 for the Charter School Facility Grant Program in
26 Schedule (7) of Item 6110-485 of the Budget Act of
27 2005 (Chs. 38 and 39, Stats. 2005).
- 28 (46) \$600,000 or whatever greater or lesser amount reflects
29 the unexpended balance of the amount appropriated
30 for the Principal Training Program in Schedule (8) of
31 Item 6110-485 of the Budget Act of 2006 (Chs. 47
32 and 48, Stats. 2006).
- 33 (47) \$25,645,000 or whatever greater or lesser amount re-
34 flects the unexpended balance for the After School
35 Education and Safety Program in Item 6110-649-0001
36 from the 2004–05 fiscal year appropriation pursuant
37 to Section 8483.5 of the Education Code, as enacted
38 by Proposition 49 in 2002.
- 39 (48) \$178,352,000 or whatever greater or lesser amount
40 reflects the unexpended balance for the After School

Education and Safety Program in Item 6110-649-0001 from the 2007–08 fiscal year appropriation pursuant to Section 8483.5 of the Education Code, as enacted by Proposition 49 in 2002, and pursuant to Section 8483.51 of the Education Code as enacted by Chapter 2 of the Statutes of 2008, Third Extraordinary Session.

(49) \$20,000,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for special education instruction in Schedule (1) of Item 6110-161-0001 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).

(50) \$520,000 or whatever greater or lesser amount reflects the unexpended balance for the After School Education and Safety Program in Item 6110-649-0001 from the 2006–07 fiscal year appropriation pursuant to Section 8483.5 of the Education Code, as enacted by Proposition 49 in 2002, and pursuant to Section 8483.51 of the Education Code, as enacted by Chapter 2 of the Statutes of 2008, Third Extraordinary Session.

(51) \$3,207,465 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for special education programs in Schedule (1) of Item 6110-161-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

(52) \$10,922 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for the School Safety Consolidated Competitive Grant in Item 6110-248-0001 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).

(53) \$10,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for the adult education program and regional occupational programs pursuant to Article 2 (commencing with Section 51120) of Chapter 1.5 of Part 28 of Division 4 of Title 2 of the Education Code in Schedule (3) of Section 43 of Chapter 79 of the Statutes of 2006.

(54) \$27,500 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for the parental involvement program pursuant to

1 Article 2 (commencing with Section 51120) of
2 Chapter 1.5 of Part 28 of Division 4 of Title 2 of the
3 Education Code in Schedule (9) of Section 43 of
4 Chapter 79 of the Statutes of 2006.

5 (55) \$114,395 or whatever greater or lesser amount reflects
6 the unexpended balance of the amount appropriated
7 for teacher recruitment and retention pursuant to Arti-
8 cle 2 (commencing with Section 51120) of Chapter
9 1.5 of Part 28 of Division 4 of Title 2 of the Education
10 Code in Schedule (20) of Section 43 of Chapter 79 of
11 the Statutes of 2006.

12 (56) \$25,725 or whatever greater or lesser amount reflects
13 the unexpended balance of the amount appropriated
14 for start-up school breakfast and summer food pro-
15 gram pursuant to Article 2 (commencing with Section
16 51120) of Chapter 1.5 of Part 28 of Division 4 of Title
17 2 of the Education Code in Schedule (8) of Section
18 43 of Chapter 79 of the Statutes of 2006.

19 (57) \$831,523 or whatever greater or lesser amount reflects
20 the unexpended balance of the amount appropriated
21 for prior year mandate claims made by local education
22 agencies pursuant to Article 2 (commencing with
23 Section 51120) of Chapter 1.5 of Part 28 of Division
24 4 of Title 2 of the Education Code in Schedule (1) of
25 Section 43 of Chapter 79 of the Statutes of 2006.

26 (58) \$3,115,995 or whatever greater or lesser amount re-
27 flects the unexpended balance of the amount appropri-
28 ated for the High Priority Schools Grant Program in
29 Schedule (1) of Item 6110-123-0001 of the Budget
30 Act of 2006 (Chs. 47 and 48, Stats. 2006).

31 (59) \$247,611 or whatever greater or lesser amount reflects
32 the unexpended balance of the amount appropriated
33 for the Special Education Infant Program in Schedule
34 (1) of Item 6110-161-0001 of the Budget Act of 2006
35 (Chs. 47 and 48, Stats. 2006).

36 (60) \$730,454 or whatever greater or lesser amount reflects
37 the unexpended balance of the amount appropriated
38 for the Early Education for Individuals with Excep-
39 tional Needs in Schedule (2) of Item 6110-161-0001

- 1 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
2 2006).
- 3 (61) \$44,135 or whatever greater or lesser amount reflects
4 the unexpended balance of the amount appropriated
5 for the Agricultural Vocational Education in Item
6 6110-167-0001 of the Budget Act of 2006 (Chs. 47
7 and 48, Stats. 2006).
- 8 (62) \$29,837 or whatever greater or lesser amount reflects
9 the unexpended balance of the amount appropriated
10 for the California High School Exit Exam Intensive
11 Intervention Program in Item 6110-204-0001 of the
12 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 13 (63) \$6,057 or whatever greater or lesser amount reflects
14 the unexpended balance of the amount appropriated
15 for the School Safety Block Grant in Schedule (1) of
16 Item 6110-228-0001 of the Budget Act of 2006 (Chs.
17 47 and 48, Stats. 2006).
- 18 (64) \$8,500,000 or whatever greater or lesser amount re-
19 flects the unexpended balance of the amount appropri-
20 ated for the K–3 Class Size Reduction Program in
21 Item 6110-234-0001 of the Budget Act of 2006 (Chs.
22 47 and 48, Stats. 2006).
- 23 (65) \$339,439 or whatever greater or lesser amount reflects
24 the unexpended balance of the amount appropriated
25 for the Pupil Retention Block Grant in Item 6110-243-
26 0001 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
27 2006).
- 28 (66) \$98,647 or whatever greater or lesser amount reflects
29 the unexpended balance of the amount appropriated
30 for the Professional Development Block Grant in Item
31 6110-245-0001 of the Budget Act of 2006 (Chs. 47
32 and 48, Stats. 2006).
- 33 (67) \$5,130 or whatever greater or lesser amount reflects
34 the unexpended balance of the amount appropriated
35 for the Arts and Music Block Grant in Item 6110-265-
36 0001 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
37 2006).
- 38 (68) \$1,941,700 or whatever greater or lesser amount re-
39 flects the unexpended balance of the amount appropri-
40 ated for the Certificated Staff Mentoring Program in

- 1 Item 6110-267-0001 of the Budget Act of 2006 (Chs.
2 47 and 48, Stats. 2006).
- 3 (69) \$12,844 or whatever greater or lesser amount reflects
4 the unexpended balance of the amount appropriated
5 for the School Safety Block Grant Program pursuant
6 to subparagraph (J) of paragraph (2) of subdivision
7 (a) of Section 31 of Chapter 73 of the Statutes of 2005.
- 8 (70) \$11,705,886 or whatever greater or lesser amount re-
9 flects the unexpended balance of the amount appropri-
10 ated for adult education programs pursuant to subpara-
11 graph (G) of paragraph (2) of subdivision (a) of Sec-
12 tion 31 of Chapter 73 of the Statutes of 2005.
- 13 (71) \$1,217,782 or whatever greater or lesser amount re-
14 flects the unexpended balance of the amount appropri-
15 ated for the Prior Year K–12 Education Mandate
16 Claims in Schedule (10) of Item 6110-485 of the
17 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 18 (72) \$57,239 or whatever greater or lesser amount reflects
19 the unexpended balance of the amount appropriated
20 for the Prior Year K–12 Education Mandate Claims
21 in Schedule (12) of Item 6110-485 of the Budget Act
22 of 2006 (Chs. 47 and 48, Stats. 2006).
- 23 (73) \$40,000 or whatever greater or lesser amount reflects
24 the unexpended balance of the amount appropriated
25 for the specialized secondary programs in Item 6110-
26 122-0001 of the Budget Act of 2007 (Chs. 171 and
27 172, Stats. 2007).
- 28 (74) \$658,800 or whatever greater or lesser amount reflects
29 the unexpended balance of the amount appropriated
30 for the High Priority Schools Grant Program in
31 Schedule (1) of Item 6110-123-0001 of the Budget
32 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 33 (75) \$40,310 or whatever greater or lesser amount reflects
34 the unexpended balance of the amount appropriated
35 for the Partnership Academies Program in Item 6110-
36 166-0001 of the Budget Act of 2007 (Chs. 171 and
37 172, Stats. 2007).
- 38 (76) \$145,000 or whatever greater or lesser amount reflects
39 the unexpended balance of the amount appropriated
40 for the National Board Certification Program in Item

- 1 6110-195-0001 of the Budget Act of 2007 (Chs. 171
2 and 172, Stats. 2007).
3 (77) \$49,774 or whatever greater or lesser amount reflects
4 the unexpended balance of the amount appropriated
5 for the California High School Exit Exam Intensive
6 Instruction Program in Item 6110-204-0001 of the
7 Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).
8 (78) \$41,445 or whatever greater or lesser amount reflects
9 the unexpended balance of the amount appropriated
10 for the Teacher Dismissal Apportionment Program in
11 Item 6110-209-0001 of the Budget Act of 2007 (Chs.
12 171 and 172, Stats. 2007).
13 (79) \$1,003,040 or whatever greater or lesser amount re-
14 flects the unexpended balance of the amount appropri-
15 ated for the Pupil Retention Program in Item 6110-
16 243-0001 of the Budget Act of 2007 (Chs. 171 and
17 172, Stats. 2007).
18 (80) \$167,158 or whatever greater or lesser amount reflects
19 the unexpended balance of the amount appropriated
20 for the Professional Development Block Grant in Item
21 6110-245-0001 of the Budget Act of 2007 (Chs. 171
22 and 172, Stats. 2007).
23 (81) \$429,880 or whatever greater or lesser amount reflects
24 the unexpended balance of the amount appropriated
25 for the Certificated Staff Mentoring Program in Item
26 6110-267-0001 of the Budget Act of 2007 (Chs. 171
27 and 172, Stats. 2007).
28 (82) \$7,821 or whatever greater or lesser amount reflects
29 the unexpended balance of the amount appropriated
30 for the Home to School Transportation Program in
31 Schedule (14) of Item 6110-485 of the Budget Act of
32 2007 (Chs. 171 and 172, Stats. 2007).
33 (83) \$281,207 or whatever greater or lesser amount reflects
34 the unexpended balance of the amount appropriated
35 for the Quality Education Improvement Act in sub-
36 paragraph (B) of paragraph (1) of subdivision (c) of
37 Section 52055.770 of the Education Code.
38 (84) \$499,639 or whatever greater or lesser amount reflects
39 the unexpended balance of the amount appropriated
40 to the California Community Colleges in Schedule

- 1 (15) of Item 6870-101-0001 of the Budget Act of 2006
2 (Chs. 47 and 48, Stats. 2006).
- 3 (85) \$145,359 or whatever greater or lesser amount reflects
4 the unexpended balance of the amount appropriated
5 to the California Community Colleges for nursing
6 faculty recruitment and retention in paragraph (30) of
7 subdivision (a) of Section 43 of Chapter 79 of the
8 Statutes of 2006.
- 9 (86) \$229,653 or whatever greater or lesser amount reflects
10 the unexpended balance of the amount appropriated
11 to the California Community Colleges in Schedule
12 (18) of Item 6870-101-0001 of the Budget Act of 2006
13 (Chs. 47 and 48, Stats. 2006).
- 14 (87) \$40,000 or whatever greater or lesser amount reflects
15 the unexpended balance of the amount appropriated
16 to the California Community Colleges in Schedule
17 (15) of Item 6870-101-0001 of the Budget Act of 2007
18 (Chs. 171 and 172, Stats. 2007).
- 19 (88) \$59,931 or whatever greater or lesser amount reflects
20 the unexpended balance of the amount appropriated
21 to the California Community Colleges in Schedule
22 (20) of Item 6870-101-0001 of the Budget Act of 2007
23 (Chs. 171 and 172, Stats. 2007).
- 24 (89) \$81,824 or whatever greater or lesser amount reflects
25 the unexpended balance of the amount appropriated
26 to the California Community Colleges in Schedule
27 (23) of Item 6870-101-0001 of the Budget Act of 2007
28 (Chs. 171 and 172, Stats. 2007).
- 29 (90) \$404,091 or whatever greater or lesser amount reflects
30 the unexpended balance of the amount appropriated
31 to the California Community Colleges in Schedule
32 (18) of Item 6870-101-0001 of the Budget Act of 2007
33 (Chs. 171 and 172, Stats. 2007).
- 34 (91) \$817,973 or whatever greater or lesser amount reflects
35 the unexpended balance of the amount appropriated
36 to the California Community Colleges in Schedule
37 (6) of Item 6870-101-0001 of the Budget Act of 2007
38 (Chs. 171 and 172, Stats. 2007).
- 39 (92) \$8,738,578 or whatever greater or lesser amount re-
40 flects the unexpended balance of the amount appropri-

1 ated for the Prior Year K–12 Education Mandate
2 Claims of subparagraph (A) of paragraph (3) of sub-
3 division (a) of Section 44 of Chapter 79 of the Statutes
4 of 2006.

5 (93) *\$6,000,000 or whatever greater or lesser amount re-*
6 *fects the unexpended balance of the amount appropri-*
7 *ated for juvenile education in Item 5225-011-0001 of*
8 *the Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).*

9 (94) *\$10,000,000 or whatever greater or lesser amount*
10 *reflects the unexpended balance of the amount appro-*
11 *priated for juvenile education in Item 5225-011-0001*
12 *of the Budget Act of 2008 (Chs. 268 and 269, Stats.*
13 *2008).*

14 Provisions:

15 3. The sum of \$38,631,987 is hereby reappropriated to
16 the State Department of Education for transfer by the
17 Controller to Section A of the State School Fund for
18 allocation by the Superintendent of Public Instruction
19 for the purpose of funding CalWORKs Stage 2 child
20 care. The amount reappropriated pursuant to this pro-
21 vision is for use in the 2008–09 fiscal year.

22 4. The sum of \$164,686,000 is hereby reappropriated to
23 the State Department of Education for transfer by the
24 Controller to Section A of the State School Fund for
25 allocation by the Superintendent of Public Instruction
26 for the purpose of funding CalWORKs Stage 3 child
27 care. The amount reappropriated pursuant to this pro-
28 vision is for use in the 2008–09 fiscal year.

29 5. The sum of \$46,161,769 is hereby reappropriated to
30 the State Department of Education for transfer by the
31 Controller to Section A of the State School Fund for
32 allocation by the Superintendent of Public Instruction
33 for the Class Size Reduction Program pursuant to
34 Chapter 6.10 (commencing with Section 52120) of
35 Part 28 of Division 4 of Title 2 of the Education Code.

36 6. *The sum of \$16,000,000 is hereby reappropriated to*
37 *the State Department of Education for transfer by the*
38 *Controller to Section A of the State School Fund for*
39 *allocation by the Superintendent of Public Instruction*
40 *for the purpose of funding school district revenue*

limit apportionments. The amount reappropriated pursuant to this section is for use in the 2008–09 fiscal year.

SEC. 17. Item 6440-001-0001 of Section 2.00 of the Budget Act of 2008, as amended by Chapter 2 of the Statutes of 2009, Third Extraordinary Session, is amended to read:

6440-001-0001—For support of University of California.....	2,930,023,000
	2,212,523,000

Schedule:

(1) Support.....	3,118,116,000
	3,386,616,000
(2) Charles R. Drew Medical Program.....	8,738,000
(3) Acquired Immune Deficiency Syndrome (AIDS) Research.....	9,214,000
(4) Student Financial Aid.....	52,199,000
(5) Loan Repayments.....	5,105,000
(6) San Diego Supercomputer Center.....	3,240,000
(8) Unallocated Reduction.....	−266,589,000
	−984,089,000
(9) Reimbursements.....	−268,500,000

Provisions:

1. The appropriations made in this item are exempt from Section 31.00.
2. None of the funds appropriated in this item may be expended to initiate major capital outlay projects by contract without prior legislative approval, except for cogeneration and energy conservation projects. Funds appropriated in this item may be used for capital expenditures as well as payment of debt service for such exempted capital projects. Exempted projects shall be reported in a manner consistent with the reporting procedures in subdivision (e) of Section 28.00.

Funds appropriated in this item may be used for capital expenditures as well as payment of debt service associated with the Energy Partnership Program, whereby the University of California will receive financial incentives from state investor-owned utilities to undertake energy conservation projects. The use of

state operations funding for these energy savings projects may not infringe on the university's funding for its instructional support activities. The Director of Finance may authorize program expenditures for the list of planned projects not sooner than 30 days after notification in writing is provided to the chairpersons of the committees in each house of the Legislature that consider appropriations, the chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee. The list of planned projects submitted for approval for a given funding cycle should be all-inclusive and may include projects that eventually may not be initiated during that funding cycle. A project not included on the list of planned projects for that funding cycle, but with which the university wishes to proceed during the budget year, may be treated as an exempted project as described above and reported in a manner consistent with the reporting procedures in subdivision (e) of Section 28.00. No later than November 15 of each year, the university shall prepare a report describing the identified projects funded under the Energy Partnership Program in the prior year. The report shall include the cost of each project, how the cost is being funded, including the amount funded from support budget funds and investor-owned utility incentive awards, and the projected amount of energy savings. These reports will sunset at the end of the program.

3. The funds appropriated in Schedule (2) are for support of University of California programs of clinical health sciences education, research, and public service, conducted in conjunction with the Charles R. Drew University of Medicine and Science, as provided for in Sections 1, 2, and 3 of Chapter 1140 of the Statutes of 1973. Of the funds appropriated, \$500,000 is contingent upon the provision by the University of California of an equal amount of matching funds from its own resources. The University of California shall ensure by adequate controls that funds appropriated in

- 1 Schedule (2) are expended solely for the support of
2 the program identified in that schedule.
- 3 4. The funds appropriated in Schedule (4) are for support
4 of Program 45, Student Financial Aid, to provide fi-
5 nancial aid to needy students attending the University
6 of California, according to the nationally accepted
7 needs analysis methodology.
- 8 5. Of the funds appropriated in Schedule (1), \$2,762,129
9 is for payment of energy service contracts in connec-
10 tion with the issuance of State Public Works Board
11 Energy Efficiency Revenue Bonds.
- 12 6. Of the funds appropriated in Schedule (5), \$2,700,000
13 is for repayment of \$25,000,000 borrowed by the
14 University of California for deferred maintenance in
15 the 1994–95 fiscal year. It is the intent of the Legisla-
16 ture to annually provide funds for that repayment
17 purpose through the 2009–10 fiscal year.
- 18 7. Of the funds appropriated in Schedule (5), \$2,405,000
19 is for repayment of \$25,000,000 borrowed by the
20 University of California for deferred maintenance in
21 the 1995–96 fiscal year. It is the intent of the Legisla-
22 ture to annually provide funds for that repayment
23 purpose through the 2010–11 fiscal year.
- 24 8. Of the funds appropriated in Schedule (1), \$1,897,200
25 is for the California State Summer School for Mathe-
26 matics and Science (COSMOS). The University of
27 California shall report on the outcomes and effective-
28 ness of COSMOS every five years, commencing April
29 1, 2011.
- 30 9. The University of California (UC) shall report to the
31 Legislature and the Governor by February 1 of each
32 year on its progress toward increasing the quality and
33 supply of science and mathematics teachers resulting
34 from implementation of the Science and Math Teacher
35 Initiative. This report shall include the following infor-
36 mation: (a) annual number of mathematics and science
37 teachers awarded credentials (by each UC campus)
38 beginning with the 2004–05 academic year (before
39 the state first provided funding for the initiative), (b)
40 an expenditure plan on the use of the funds appropri-

ated in this item, (c) the effectiveness of the initiative's different components and activities, including an identification of best practices, and (d) the job placement of students who earn a mathematics or science teaching credential, including the location of the K–12 school of employment and whether it is in an urban, rural, or suburban setting.

10. The University of California shall report to the Legislature by March 15, 2009, on whether it has met its 2008–09 academic year enrollment goal.
11. Of the funds appropriated in Schedule (1), \$1,050,000 is to support 70 full-time equivalent students in the Program in Medical Education (PRIME) at the Irvine, Davis, San Diego, and San Francisco campuses. The primary purpose of this program is to train physicians specifically to serve in underrepresented communities. The University of California shall report to the Legislature by March 15, 2009, on (a) its progress in implementing the PRIME program and (b) the use of the total funds provided for this program from both state and nonstate resources.
12. The university shall report to the Legislature and the Governor by May 1, 2009, on the total enrollment in the 2007–08 and 2008–09 academic years in the entry-level clinical and master's degree nursing programs and the master's of science nursing degree programs.
13. It is the intent of the Legislature that the University of California submit an annual report by March 1 of each year through the 2010–11 fiscal year to the Joint Legislative Budget Committee, legislative fiscal subcommittees, and the Department of Finance on the university's progress in reforming its compensation policies and practices, reflecting the criteria specified in Provision 27 of Item 6440-001-0001 of the Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
14. Of the funds appropriated in Schedule (1), \$19,300,000 is for student academic preparation and education programs (SAPEP) and is to be matched with \$12,000,000 from existing university resources, for a total of \$31,300,000 for these programs. The Univer-

1 sity of California shall provide a plan to the Depart-
2 ment of Finance and the fiscal committees of each
3 house of the Legislature for expenditure of both state
4 and university funds for SAPEP by September 1 of
5 each year.

- 6 15. The amount appropriated in Schedule (1) reflects a
7 reduction of \$32,300,000 to institutional support.
- 8 17. Of the funds appropriated in Schedule (1), \$693,000
9 is for the Welfare Policy Research Project, pursuant
10 to Article 9.7 (commencing with Section 11526) of
11 Chapter 2 of Part 3 of Division 9 of the Welfare and
12 Institutions Code.
- 13 18. Of the funds appropriated in Schedule (1), \$427,500
14 shall be expended for the Center for Earthquake Engi-
15 neering Research, contingent upon the center continu-
16 ing to receive federal matching funds from the Nation-
17 al Science Foundation.
- 18 19. Of the funds appropriated in Schedule (1), \$346,500
19 shall be expended for viticulture and enology research,
20 contingent upon the receipt of an equal amount of
21 private sector matching funds.
- 22 20. Of the funds appropriated in Schedule (1), \$16,200,000
23 is for substance abuse research at the Department of
24 Neurology at the University of California, San Fran-
25 cisco.
- 26 21. Of the funds appropriated in Schedule (1), \$693,000
27 shall be used for lupus research at the University of
28 California, San Francisco.
- 29 22. Of the funds appropriated in Schedule (1), \$1,385,100
30 shall be used to expand spinal cord injury research.
- 31 23. Of the funds appropriated in Schedule (1), \$3,463,000
32 is to fund the Medical Investigation of Neurodevelop-
33 ment Disorders (MIND) Institute, including
34 \$3,150,000 for a research grants program.
- 35 24. Of the funds appropriated in Schedule (1), \$0 is to
36 support research on labor and employment and labor
37 education throughout the University of California
38 system.
- 39 25. The amount appropriated in this item reflects a
40 \$5,000,000 one-time reduction to the Subject Matter

Projects. An identical amount is appropriated in Item 6110-195-0890 from federal Title II carryover funds to ensure the projects can be maintained in the 2008–09 fiscal year.

26. To the extent funds are available in Schedule (1), and contingent upon the receipt of an equal amount of private sector matching funds, the University of California shall allocate funds for the California Institute for Quantitative Biosciences for the purpose of enhancing innovative, cost-effective technologies and therapies in health care.

SEC. 18. Item 6610-001-0001 of Section 2.00 of the Budget Act of 2008, as amended by Chapter 2 of the Statutes of 2009, Third Extraordinary Session, is amended to read:

6610-001-0001—For support of California State University.....	2,844,364,000
	2,126,864,000

Schedule:

- | | |
|--------------------------------|--------------------------|
| (1) Support..... | 3,082,555,000 |
| | 3,351,055,000 |
| (2) Unallocated Reduction..... | –238,191,000 |
| | –955,691,000 |
| (3) Reimbursements..... | –268,500,000 |

Provisions:

1. The appropriations made in this item are exempt from Section 31.00, except as otherwise provided by the applicable sections of the Government Code referred to in Section 31.00.
2. Of the amount appropriated in this item, \$350,000 is for transfer to the Affordable Student Housing Revolving Fund for the purpose of subsidizing interest costs in connection with bond financing for construction of affordable student housing at the Fullerton and Hayward campuses in accordance with Article 3 (commencing with Section 90085) of Chapter 8 of Part 55 of Division 8 of Title 3 of the Education Code.
3. Of the amount appropriated in this item, \$1,878,000 is for repayment of the \$17,000,000 financed for the

1 California State University through a third party for
2 deferred maintenance projects in the 1994–95 fiscal
3 year. It is the intent of the Legislature to annually
4 provide funds for that repayment purpose until June
5 30, 2010.

- 6 4. Of the amount appropriated in this item, \$2,309,000
7 is for repayment of the \$24,000,000 financed for the
8 California State University through a third party for
9 deferred maintenance projects in the 1995–96 fiscal
10 year. It is the intent of the Legislature to annually
11 provide funds for that repayment purpose until June
12 30, 2011.

- 13 5. The California State University (CSU) shall report to
14 the Legislature and the Governor by February 1 of
15 each year on its progress toward increasing the quality
16 and supply of science and mathematics teachers result-
17 ing from implementation of the Science and Math
18 Teacher Initiative. This report shall include the follow-
19 ing information: (a) annual number of mathematics
20 and science teachers awarded credentials (by each
21 CSU campus) beginning with the 2004–05 academic
22 year (before the state first provided funding for the
23 initiative), (b) an expenditure plan on the use of the
24 funds appropriated in this item, (c) the effectiveness
25 of the initiative’s different components and activities,
26 including an identification of best practices, and (d)
27 the job placement of students who earn a math or sci-
28 ence teaching credential, including the location of the
29 K–12 school of employment and whether it is in an
30 urban, rural, or suburban setting.

- 31 6. The California State University shall provide a prelim-
32 inary report to the Legislature by March 15, 2009, and
33 a final report by May 1, 2009, on whether it has met
34 its 2008–09 academic year enrollment goal.

- 35 7. The California State University shall report to the
36 Legislature and the Governor by May 1, 2009, on the
37 total enrollment in the 2007–08 and 2008–09 academic
38 years in the baccalaureate nursing degree and entry-
39 level master’s nursing degree programs.

8. The amount appropriated in Schedule (1) reflects a reduction of \$43,199,000 to institutional support.
9. Of the amount appropriated in this item, \$33,785,000 is provided for student financial aid grants. These financial aid funds shall be provided to needy students according to the nationally accepted needs analysis methodology.
10. Of the amount appropriated in Schedule (1), \$52,000,000 is appropriated for student academic preparation and student support services programs. The California State University shall provide \$45,000,000 to support the Early Academic Assessment Program and the Educational Opportunity Program.

SEC. 19. Item 6870-101-0001 of Section 2.00 of the Budget Act of 2008, as amended by Chapter 12 of the Statutes of 2009, Third Extraordinary Session, is amended to read:

6870-101-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98).....		3,649,230,000
		3,449,230,000
Schedule:		
(1) 10.10.010-Appportionments.....	2,830,717,000	
	2,715,717,000	
(2) 10.10.020-Apprenticeship.....		14,641,000
(3) 10.10.030-Growth for Apportionments.....		113,500,000
(4) 20.10.004-Student Success for Basic Skills Students.....	33,100,000	
(5) 20.10.005-Student Financial Aid Administration.....	51,269,000	
(6) 20.10.020-Disabled Students.....	115,011,000	
(7) 20.10.045-Special Services for CalWORKs Recipients.....	43,580,000	

1	(8) 20.10.060-Foster Care Education Pro-	
2	gram.....	
3		5,254,000
4	(9) 20.10.070-Matriculation.....	101,803,000
5	(10) 20.20.020-Academic Senate for the	
6	Community Colleges.....	
7		467,000
8	(11) 20.20.041-Equal Employment Opportu-	
9	nity pursuant to Ch. 1169, Stats.	
10	2002.....	
11		1,747,000
12	(12) 20.20.050-Part-time Faculty Health In-	
13	surance.....	
14		1,000,000
15	(13) 20.20.051-Part-time Faculty Compensa-	
16	tion.....	
17		50,828,000
18	(14) 20.20.055-Part-time Faculty Office	
19	Hours.....	
20		7,172,000
21	(15) 20.30.011-Telecommunications and	
22	Technology Services.....	
23		26,197,000
24	(16) 20.30.050-Economic Development....	
25		46,790,000
26	(17) 20.30.070-Transfer Education and Ar-	
27	ticulation.....	
28		1,424,000
29	(18) 20.40.026-Physical Plant and Instruc-	
30	tional Support.....	
31		27,345,000
32	(19) 20.10.010-Extended Opportunity Pro-	
33	grams and Services and Special Ser-	
34	vices.....	122,291,000
35	(20) 20.30.045-Fund for Student Success....	
36		6,158,000
37	(21) 20.70.010-Career Technical Educa-	
38	tion.....	
39		20,000,000

(22) 20.80.010-Campus Childcare Tax	
Bailout.....	
	6,836,000
(23) 20.95.010-Nursing Program Support....	
	22,100,000
(24) <i>Unallocated Reduction</i>	-85,000,000

Provisions:

1. The funds appropriated in Schedules (1), (2), (3), (4), (5), (6), (7), (8), (9), (11), (12), (13), (14), (15), (16), (18), (19), and (22) are for transfer by the Controller during the 2008–09 fiscal year to Section B of the State School Fund.
2. Notwithstanding any other provision of law, apportionment funding for community college districts shall be based on the greater of the current year or prior year level of full-time equivalent students (FTES), consistent with K–12 declining enrollment practices pursuant to Section 42238.5 of the Education Code. Decreases in FTES shall result in a revenue reduction at the district’s average level of apportionment funding per FTES and shall be made in the year following the initial year of decrease in FTES.
3. The funds appropriated in Schedule (1) for Apportionments include \$31,409,000 to encourage district-level accountability efforts pursuant to Section 84754.5 of the Education Code. It is intended that the Chancellor of the California Community Colleges submit an annual report on district-specific accountability measures by March 19 of each year. This report shall reflect outcomes from the most recently completed fiscal year for which data is available pursuant to Section 84754.5 of the Education Code.
4. Of the funds appropriated in Schedule (1), Apportionments:
 - (a) Up to \$100,000 is for a maintenance allowance, pursuant to Section 54200 of Title 5 of the California Code of Regulations.
 - (b) Up to \$500,000 is to reimburse colleges for the costs of federal aid repayments related to assessed fees for fee waiver recipients. This reimbursement

- 1 only applies to students who completely withdraw
2 from college before the census date pursuant to
3 Section 58508 of Title 5 of the California Code
4 of Regulations.
- 5 5. Notwithstanding any other provision of law, the
6 Chancellor of the California Community Colleges
7 shall not reduce district workload obligations for a
8 lack of a funded cost-of-living adjustment.
- 9 6. (a) Of the amount appropriated in Schedule (2) for
10 the Apprenticeship Program, up to \$14,641,000
11 shall be available as necessary upon certification
12 by the Chancellor of the California Community
13 Colleges for the purpose of funding community
14 college-related and supplemental instruction pur-
15 suant to Section 3074 of the Labor Code, as pro-
16 vided in Section 8152 of the Education Code. No
17 community college district shall use funds avail-
18 able under this provision to offer any new appren-
19 ticeship training program or the expansion of any
20 existing program unless the new program or ex-
21 pansion has been approved by the chancellor.
- 22 (b) Notwithstanding Section 8152 of the Education
23 Code, each 60-minute hour of teaching time de-
24 voted to each indentured apprentice enrolled in
25 and attending classes of related and supplemental
26 instruction as provided under Section 3074 of the
27 Labor Code shall be reimbursed at the rate of
28 \$5.06 per hour. For purposes of this provision,
29 each hour of teaching time may include up to 10
30 minutes for passing time and breaks.
- 31 7. Funds appropriated in Schedule (3), Growth for Ap-
32 portionments, shall be available first to any districts
33 bringing online in the current fiscal year newly accred-
34 ited colleges or California Postsecondary Education
35 Commission-approved educational centers. It is the
36 intent of the Legislature that increases in basic founda-
37 tion allocations to each college be funded prior to ad-
38 ditional growth in full-time equivalent students. The
39 Chancellor of the California Community Colleges
40 shall provide a report by November 1 of each year, to

the Department of Finance and the Legislative Analyst, on the number of new centers and colleges added for the current fiscal year and those anticipated to be added for the prospective budget year. This report shall also detail the specific funding adjustments provided for basic foundation allocations to each college and center for the current fiscal year.

8. Notwithstanding any other provision of law, funds appropriated in Schedule (3) for Growth for Apportionments shall only be allocated for growth in full-time equivalent students (FTES), on a district-by-district basis, as determined by the Chancellor of the California Community Colleges. The chancellor shall not include any FTES from concurrent enrollment in physical education, dance, recreation, study skills, and personal development courses and other courses in conflict with existing law for the purpose of calculating a district's three-year overcap adjustment. The Board of Governors of the California Community Colleges shall implement the criteria required by subdivision (a) of Provision 5 of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003) for the allocation of funds appropriated in Schedules (1) and (3), so as to ensure that courses related to student needs for transfer, basic skills, and vocational/workforce training are accorded the highest priority and are provided to the maximum extent possible within budgeted funds.

10. Of the amount appropriated in Schedule (1), \$10,000,000 shall only be available for noncredit instruction to prepare pupils to pass the California High School Exit Examination (CAHSEE). The first priority shall be to serve high school pupils from the class of 2007 who met all other graduation requirements except for passage of the CAHSEE. Remaining funds may be used to support other necessary noncredit courses for other pupils who not only did not pass the CAHSEE, but who did not complete other coursework necessary to meet high school graduation requirements.

- 1 These funds are intended to supplement but not sup-
2 plant existing funding for these purposes.
- 3 11. The funds appropriated in Schedule (4), Student Suc-
4 cess for Basic Skills Students, shall be allocated as
5 follows:
- 6 (a) \$1,600,000 for faculty and staff development to
7 improve curriculum, instruction, student services,
8 and program practices in the areas of basic skills
9 and English as a Second Language (ESL) pro-
10 grams. The Office of the Chancellor of the Cali-
11 fornia Community Colleges shall select a district,
12 utilizing a competitive process, to carry out these
13 faculty and staff development activities. All col-
14 leges receiving funds pursuant to subdivision (b)
15 shall be provided with the opportunity to partici-
16 pate in the faculty and staff development programs
17 specified in this subdivision. The chancellor shall
18 report on the use of these funds by the selected
19 district to the Legislative Analyst and the Depart-
20 ment of Finance not later than September 1, 2009.
- 21 (b) \$31,500,000 for allocation by the chancellor to
22 community college districts for improving out-
23 comes of students who enter college needing at
24 least one course in ESL or basic skills, with par-
25 ticular emphasis on students transitioning from
26 high school.
- 27 (c) Funding specified in subdivisions (a) and (b) shall
28 be distributed to eligible applicants pursuant to
29 Chapter 489 of the Statutes of 2007.
- 30 (d) The Office of the Chancellor shall work jointly
31 with the Department of Finance and the Legisla-
32 tive Analyst to develop annual accountability
33 measures for this program. It is the intent of the
34 Legislature that annual performance accountabil-
35 ity measures for this program utilize, to the extent
36 possible, data available as part of the accountabil-
37 ity system developed pursuant to Section 84754.5
38 of the Education Code. By November 1, 2009,
39 the chancellor shall submit a report to the Gover-

nor and Legislature on the annual accountability measures developed pursuant to this process.

12. (a) Of the funds appropriated in Schedule (5) for Student Financial Aid Administration, not less than \$9,864,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(b) Of the funds appropriated in Schedule (5), not less than \$4,405,000 is available to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.

(c) Funding provided to community college districts in subdivisions (a) and (b) of Provision 15 is provided to directly offset any mandated costs claimed by community college districts pursuant to Commission on State Mandates Test Claims 99-TC-13 (Enrollment Fee Collection) and 00-TC-15 (Enrollment Fee Waivers).

(d) (1) Of the amount appropriated in Schedule (5), \$2,800,000 shall be for a contract with a community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (A) the California Community Colleges (CCC) remain affordable, (B) financial aid and tax credits are available to cover enrollment fees and help with books and other costs, and (C) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact tele-

1 phone number, an Internet Web site address,
2 where applicable, and the physical location
3 of a financial aid office. Any mail campaign
4 must give priority to existing pupils, recent
5 high school graduates, and 12th graders. The
6 outreach and information campaign should
7 target its efforts in high schools, welfare of-
8 fices, unemployment offices, churches,
9 community centers, and any other location
10 that will most effectively reach low-income
11 and disadvantaged students who must over-
12 come barriers in accessing postsecondary
13 education. The community college district
14 awarded the contract shall consult with the
15 Chancellor of the California Community
16 Colleges and the Student Aid Commission
17 prior to performing any activities to ensure
18 appropriate coordination with any other state
19 efforts in this area and ensure compliance
20 with this provision.

- 21 (2) Of the amount appropriated in Schedule (5),
22 not more than \$34,200,000 shall be for direct
23 contact with potential and current financial
24 aid applicants. Each CCC campus shall re-
25 ceive a minimum allocation of \$50,000. The
26 remainder of the funding shall be allocated
27 to campuses based upon a formula reflecting
28 full-time equivalent students (FTES)
29 weighted by a measure of low-income popu-
30 lations as demonstrated by BOG fee waiver
31 program participation within a district. It is
32 the intent of the Legislature, to the extent that
33 funds are provided in this item, that all cam-
34 puses provide additional staff resources to
35 increase both financial aid participation and
36 student access to low-income and disadvan-
37 tagged students who must overcome barriers
38 in accessing postsecondary education. Funds
39 may be used for screening current students
40 for possible financial aid eligibility and offer-

1 ing personal assistance to these students in
2 accessing financial aid, providing individual
3 help in multiple languages for families and
4 students in filling out the necessary paper-
5 work to apply for financial aid, and increas-
6 ing financial aid staff to process additional
7 financial aid forms.

8 (3) Funds allocated to a community college dis-
9 trict for financial aid personnel, outreach de-
10 termination of financial need, and delivery
11 of student financial aid services shall supple-
12 ment, and shall not supplant, the level of
13 funds allocated for the administration of stu-
14 dent financial aid programs during the
15 2001–02 fiscal year.

16 (4) It is the intent of the Legislature that the Of-
17 fice of the Chancellor of the California
18 Community Colleges provide the Legislature
19 with a report not later than April 1, 2009, on
20 the use of the funds allocated pursuant to
21 paragraphs (1) and (2) of this subdivision (d),
22 including the distribution of the funds, specif-
23 ic uses of the funds, strategies employed to
24 reach low-income and disadvantaged students
25 potentially eligible for financial aid, and the
26 extent to which districts were successful in
27 increasing the number of students accessing
28 financial aid, particularly the maximum Pell
29 Grant award.

30 (5) It is the intent of the Legislature that the
31 chancellor report by September 1, 2008, in
32 the manner and using the factors set forth in
33 paragraph (5) of subdivision (b) of Provision
34 11 of Item 6870-101-0001 of Section 2.00 of
35 the Budget Act of 2004 (Ch. 208, Stats.
36 2004), on the impact of outreach efforts on
37 student headcount and FTES enrollment for
38 the 2005–06 and 2006–07 academic years.

39 13. Of the funds appropriated in Schedule (19) for Extend-
40 ed Opportunity Programs and Services, \$106,786,000

1 is for Extended Opportunity Programs and Services
2 (EOPS) in accordance with Article 8 (commencing
3 with Section 69640) of Chapter 2 of Part 42 of Divi-
4 sion 5 of Title 3 of the Education Code. Funds provid-
5 ed in this item for EOPS shall be available to students
6 on all campuses within the California Community
7 College system, including those students on new
8 campuses or in new districts. In addition, \$15,505,000
9 is for funding, at all colleges, the Cooperative Agen-
10 cies Resources for Education (CARE) program in ac-
11 cordance with Article 4 (commencing with Section
12 79150) of Chapter 9 of Part 48 of Division 7 of Title
13 3 of the Education Code. The Board of Governors of
14 the California Community Colleges shall allocate
15 funds on a priority basis to local programs on the basis
16 of need for student services.

- 17 14. Of the funds appropriated in Schedule (19) for the
18 Extended Opportunity Programs and Services,
19 \$1,900,000 shall be available to support additional
20 textbook assistance grants to community college stu-
21 dents as an allowable expenditure consistent with
22 paragraph (10) of subdivision (b) of Section 69648 of
23 the Education Code.

- 24 15. The funds appropriated in Schedule (20) for the Fund
25 for Student Success is for additional targeted student
26 services, to be expended as follows:

- 27 (a) \$1,921,000 is for the Puente Project to support up
28 to 75 colleges. These funds are available if
29 matched by \$200,000 of private funds and the
30 participating community colleges and University
31 of California campuses maintain their 1995–96
32 fiscal year support level for the Puente Project.
33 All funding shall be allocated directly to partici-
34 pating districts in accordance with their participa-
35 tion agreement.
- 36 (b) Up to \$2,459,000 is for the Mathematics, Engi-
37 neering and Science Achievement (MESA) Pro-
38 gram. For each dollar allocated, the recipient dis-
39 trict shall provide \$1 in matching funds.

(c) No less than \$1,778,000 is for the Middle College High School Program. With the exception of fully compliant special part-time students at the community colleges pursuant to Sections 48802 and 76001 of the Education Code, student workload based on participation in the Middle College High School Program shall not be eligible for community college state apportionment. Further, no community college state apportionment shall be made available for physical education classes, noncredit classes, nor other courses specified in Provision 8.

16. (a) The funds appropriated in Schedule (6) for the Disabled Students Program are for assisting districts in funding the excess direct instructional cost of providing special support services or instruction, or both, to disabled students enrolled at community colleges, and for state hospital programs, as mandated by federal law.

(b) Of the amount appropriated in Schedule (6), no less than \$3,945,000 shall be used to address deficiencies identified by the federal Office of Civil Rights (OCR), as determined by the Office of the Chancellor of the California Community Colleges.

(c) Of the amount appropriated in Schedule (6), at least \$943,000 shall be used for support of the High Tech Centers for activities including, but not limited to, training of district employees, staff, and students in the use of specialized computer equipment for the disabled. All High Tech Centers shall meet standards developed by the Office of the Chancellor. Colleges that receive these augmentations shall not supplant existing resources provided to the centers.

(d) Notwithstanding any other provision of law, of the funds appropriated in Schedule (6), \$1,246,000 shall be for state hospital adult education programs at the hospitals served by the Coast and Kern Community College Districts since the 1986–87 fiscal year. If adult education services

1 at any of the three hospitals are not supported by
2 the community colleges in any portion of the
3 2008–09 fiscal year, remaining funds shall, upon
4 order of the Department of Finance, after 30 days’
5 notice to the Chairperson of the Joint Legislative
6 Budget Committee, be transferred to the State
7 Department of Developmental Services (DDS).
8 For any transfer of funds to DDS during the
9 2008–09 fiscal year, the Proposition 98 base
10 funding levels for community colleges and DDS
11 shall be adjusted accordingly.

- 12 (e) Of the funds appropriated in Schedule (6) for the
13 Disabled Student Services, no less than
14 \$9,600,000 shall be allocated to support high-cost
15 sign language interpreter services and real-time
16 captioning equipment or other communication
17 accommodations for hearing-impaired students
18 based on a 4-to-1 state-to-local district match.

- 19 17. The funds appropriated in Schedule (7), Special Ser-
20 vices for CalWORKs Recipients, are for the purpose
21 of assisting welfare recipient students and those in
22 transition off of welfare to achieve long-term self-
23 sufficiency through coordinated student services of-
24 fered at community colleges, including workstudy,
25 other educational related work experience, job place-
26 ment services, child care services, and coordination
27 with county welfare offices to determine eligibility
28 and availability of services. All services funded in
29 Schedule (7) shall be for current CalWORKs recipients
30 or prior CalWORKs recipients who are in transition
31 off of cash assistance for no more than two years.
32 Current cash-assistance recipients may utilize these
33 services until their initial educational objectives are
34 met. Former recipients in transition off of cash assis-
35 tance may utilize these services for a period of up to
36 two years after leaving cash assistance subject to the
37 conditions of this provision. These funds shall be used
38 to supplement and not supplant existing funds and
39 services provided for CalWORKs recipients attending
40 community colleges. The Chancellor of the California

Community Colleges shall develop an equitable method for allocating funds to all districts and colleges based on the relative numbers of CalWORKs recipients in attendance and shall allocate funds for the following purposes:

- (a) Job placement.
- (b) Coordination with county welfare offices and other local agencies, including local workforce investment boards.
- (c) Curriculum development and redesign.
- (d) Child care and workstudy.
- (e) Instruction.
- (f) Postemployment skills training and related skills.
- (g) Campus-based case management, limited to on-campus assistance and services not provided by county case workers that do not supplant other counseling and academic support services funded through existing California Community Colleges categorical programs.

Of the amount appropriated in Schedule (7), \$15,000,000 is for child care and does not require a district match. For the remaining funds, districts shall, as a condition of receipt of these funds, provide a \$1 match for every \$1 provided by the state.

Funds utilized for subsidized child care shall be for children of CalWORKs recipients through campus-based centers or parental choice vouchers at rates and with rules consistent with those applied to related programs operated by the State Department of Education in the 2008–09 fiscal year, including eligibility, reimbursement rates, and parental contribution schedules. Subsidized campus child care for CalWORKs recipients may be provided during the period they are engaged in qualifying state and federal work activities through attainment of their initial education and training plan and for up to three months thereafter or until the end of the academic year, whichever period of time is greater.

Funds utilized for workstudy shall be used solely for payments to employers that currently participate

1 in campus-based workstudy programs or are providing
2 work experiences that are directly related to and in
3 furtherance of student educational programs and work
4 participation requirements, provided that those pay-
5 ments may not exceed 75 percent of the wage for the
6 workstudy positions, and the employers shall pay at
7 least 25 percent of the wage for the workstudy posi-
8 tions. These funds may be expended only if the total
9 hours of education, employment, and workstudy for
10 the student are sufficient to meet both state and federal
11 minimum requirements for qualifying work-related
12 activities.

13 Funds may be used to provide credit or noncredit
14 classes for CalWORKs students if a district has com-
15 mitted all of its funded full-time equivalent students
16 (FTES) and is unable to offer the additional instruc-
17 tional services to meet the demand for CalWORKs
18 students. This determination shall be based on fall
19 enrollment information. Districts shall submit applica-
20 tions to the Office of the Chancellor by October 15 of
21 each year. If the chancellor approves the use of funds
22 for direct instructional workload, the Office of the
23 Chancellor shall submit a report to the Department of
24 Finance and the Joint Legislative Budget Committee
25 by November 15, 2008, that (a) identifies the enroll-
26 ment of new CalWORKs students, (b) states whether
27 and why additional classes were needed to accommo-
28 date the needs of CalWORKs students, and (c) sets
29 forth an expenditure plan for the balance of funds.

30 As a condition of receipt of the funds appropriated
31 in Schedule (7), by the fourth week following the end
32 of the semester or quarter term commencing in January
33 2009, each participating community college shall
34 submit to the Office of the Chancellor a report, in the
35 format specified by the chancellor in consultation with
36 the State Department of Social Services, that includes,
37 but is not limited to, the funded components, the
38 number of hours of child care provided, the average
39 monthly enrollment of CalWORKs dependents served
40 in child care, the number of workstudy hours provided,

1 the hourly salaries and type of jobs, the number of
2 students being case managed, the short-term programs
3 available, the student participation rates, and other
4 outcome data. It is intended that, to the extent practical,
5 reporting from colleges utilize data gathered for federal
6 reporting requirements at the state and local level.
7 Further, it is intended that the Office of the Chancellor
8 compile the information for annual reports to the
9 Legislature, the Governor, the Legislative Analyst, the
10 Department of Finance, and the State Department of
11 Social Services by November 15 of each year.

12 First priority for expenditures of any funds appropri-
13 ated in Schedule (7) shall be in support of current
14 CalWORKs recipients. However, if caseloads are in-
15 sufficient to fully utilize all of the funding in this
16 schedule in a cost-beneficial way, it is intended that
17 up to \$5,000,000 of the funds subject to local matching
18 requirements may be allocated for providing postem-
19 ployment services to former CalWORKs recipients
20 who have been off of cash assistance for no longer
21 than two years to assist them in upgrading skills, job
22 retention, and advancement. Allowable services in-
23 clude direct instruction that cannot be funded under
24 available growth funding, child care to support atten-
25 dance in these classes consistent with this provision,
26 job development and placement services, and career
27 counseling and assessment activities which cannot be
28 funded through other programs. Child care services
29 may only be provided for periods commensurate with
30 a student's need for postemployment training within
31 the two-year transitional period.

32 Prior to allocation of funds for postemployment
33 services, the chancellor shall first secure the approval
34 of the Department of Finance for the allocations,
35 complete a cumulative report on the outcomes, activi-
36 ties, and cost-effectiveness of the program no later
37 than November 15, 2008, in compliance with the
38 Budget Acts of 1998 (Ch. 324, Stats. 1998) and 1999
39 (Ch. 50, Stats. 1999) and this act, and shall provide
40 the rationale and justification for the proposed alloca-

tion of postemployment services to districts for transitional students.

If a district is unable to fully expend its share of child care funds, it may request that the Office of the Chancellor approve a reallocation to other CalWORKs purposes authorized by this provision, subject to all pertinent limitations and district match required for these purposes under this provision.

Of the funds appropriated in Schedule (7) for the Special Services for CalWORKs Recipients Program, no less than \$8,000,000 is to provide direct workstudy wage reimbursement for students served under this program, and \$1,000,000 is available for campus job development and placement services.

18. Funds appropriated in Schedule (7) for the Special Services for CalWORKs Recipients Program have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) and may not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.

19. (a) Funds provided in Schedule (8) for the Foster Care Education Program shall be allocated to provide foster and relative/kinship care education and training. Districts shall ensure that education and training required by Sections 1529.1 and 1529.2 of the Health and Safety Code and Section 16003 of the Welfare and Institutions Code receive priority. Districts may use any remaining funds for additional parenting skills training.

(b) Funds provided in Schedule (8) shall be used for foster parent and relative/kinship care provider education training services consistent with the following criteria:

(1) The Chancellor of the California Community Colleges shall use these funds exclusively for foster parent and relative/kinship care provider education and training, as specified

1 by the chancellor in consultation with an ad-
2 visory committee that includes foster parents,
3 representatives of statewide foster parent or-
4 ganizations, parent and relative/kinship care
5 providers, and representatives from the State
6 Department of Social Services.

7 (2) Acceptance of funds under this program shall
8 constitute agreement by the district to comply
9 with such reporting requirements, guidelines,
10 and other conditions for receipt of funding
11 as the chancellor may establish.

12 (3) Each college plan for foster and relative/kin-
13 ship care education programs shall include
14 the provision of training to facilitate the de-
15 velopment of foster family homes, small
16 family homes, and relative/kinship homes to
17 care for no more than six children who have
18 special mental, emotional, developmental, or
19 physical needs.

20 (4) The State Department of Social Services shall
21 facilitate the participation of county welfare
22 departments in the foster and relative/kinship
23 care education program.

24 20. (a) Funds appropriated in Schedule (9) for the Matric-
25 ulation Program are for the purpose of student
26 matriculation pursuant to Article 1 (commencing
27 with Section 78210) of Chapter 2 of Part 48 of
28 Division 7 of Title 3 of the Education Code.

29 (b) Of the amount appropriated in Schedule (9),
30 \$20,000,000 shall be allocated to community
31 college districts on a one-to-one matching funds
32 basis to provide matriculation services, including,
33 but not limited to, orientation, assessment, and
34 counseling, for students enrolled in designated
35 noncredit classes and programs who may benefit
36 most, as determined by the Chancellor of the
37 California Community Colleges pursuant to Sec-
38 tions 78216 to 78218, inclusive, of the Education
39 Code.

- 1 21. The funds in Schedule (13) for the Part-time Faculty
2 Compensation Program shall be allocated solely to
3 increase compensation for part-time faculty from the
4 amounts previously authorized. Funds shall be distribut-
5 ed to districts based on the total actual full-time
6 equivalent students served in the previous fiscal year
7 and include a small district factor as determined by
8 the Chancellor of the California Community Colleges.
9 These funds are to be used to assist districts in making
10 part-time faculty salaries more comparable to full-time
11 salaries for similar work, as determined through each
12 district's local collective bargaining process. These
13 funds shall not supplant the amount of resources each
14 district used to compensate part-time faculty or be
15 used to exceed parity of each part-time faculty em-
16 ployed by each district with regular full-time faculty
17 at the same district, as certified by the chancellor. If
18 a district achieves parity, its allocation may be used
19 for any other educational purpose.
- 20 22. (a) \$24,197,000 of the funds provided in Schedule
21 (15) for the Telecommunications and Technology
22 Services Program shall be for the purpose of
23 supporting technical and application innovations
24 and for coordination of activities that serve to
25 maximize the utility of the technology investments
26 of the community college system towards improv-
27 ing learning outcomes. Allocations shall be made
28 by the Chancellor of the California Community
29 Colleges, based on criteria and guidelines as de-
30 veloped by the chancellor, on a competitive basis
31 through the RFA/RFP application process for the
32 following purposes:
- 33 (1) Provision of access to statewide multimedia
34 hosting and delivery services for system col-
35 leges and districts.
- 36 (2) Provision of systemwide Internet, audio
37 bridging, and telephony.
- 38 (3) Technical assistance and planning, coopera-
39 tive purchase agreements, and faculty and
40 staff development in a manner consistent with

paragraph (3) of subdivision (b) of Provision 17 of Item 6870-101-0001 of Section 2.00 of the Budget Act of 1996 (Ch. 162, Stats. 1996).

- (4) Ongoing support for the California Virtual University Distance Education Program.
- (5) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California.
- (6) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system towards improving learning outcomes.

In addition, a portion of the funds provided in this subdivision shall be available for allocations to districts. It is the intent of the Legislature that these funds be used by colleges to maintain the technology capabilities specified in subdivision (a) of Provision 21 of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003). These funds shall not supplant existing funds used for those purposes, and colleges shall match maintenance and ongoing costs with other funds as provided by Provision 21(a) of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).

- (b) The Office of the Chancellor of the California Community Colleges shall develop the reporting criteria for all programs funded by this item and shall submit that for review along with an annual progress report on program implementation to the Legislative Analyst, the Office of the Secretary for Education, and the Department of Finance no later than December 1 of each year. Reporting shall include summaries of allocations and expenditures by program and by district, where applicable.

(c) Of the funds provided in Schedule (15), \$2,000,000 is for ongoing support and expansion of the California Partnership for Achieving Student Success (Cal-PASS) program. As a condition of receipt of these funds, the grantee shall submit to the Office of the Chancellor, by October 15 of each year, all of the following: (1) a report that includes the numbers and percentages of institutions and school districts that have signed agreements and the number and percentage that have actively submitted data in the current year, (2) the results of an annual program evaluation, as prescribed by the chancellor, that sufficiently documents the value and productivity of the program, and (3) an annual financial audit, as prescribed by the chancellor, that includes an accounting of all funding sources and all uses of funds by funding source. It is the intent of the Legislature that all reporting requirements contained in this subdivision shall be completed using funds provided to the grantee.

23. Of the funds provided in Schedule (16) for the Economic and Workforce Development Program:

(a) \$22,830,000 is allocated for grants for regional business resources assistance and innovation network centers. Each grant awarded to a district for Centers for International Development shall contain sufficient funds, as determined by the Chancellor of the California Community Colleges, for the continued operation of Mexican International Trade Centers.

(b) \$7,822,000 is allocated for industry-driven regional education and training collaboratives. These grants shall be made on a competitive basis and the award amounts shall not be restricted to any predetermined limit, but rather shall be funded on their individual merits.

(c) \$3,609,000 is allocated for statewide network leadership, organizational development, coordina-

tion, information and support services, or other program purposes.

(d) \$4,529,000 is available for Job Development Incentive Training programs focused on job creation for public assistance recipients. Any annual savings from this subdivision shall only be available for expenditure for one-time activities listed under subdivision (j) of Section 88531 of the Education Code.

(e) \$8,000,000 is allocated for the establishment of a Responsive Incumbent Worker Training Fund, which will serve to expand the delivery of performance improvement training to employers and incumbent workers in high-growth industries. Funds shall also be used to develop programs that integrate basic skills and career technical education curriculum in ways that provide students with seamless educational coursework that transitions students into high-tech and high-demand job sectors.

(f) The following provisions apply to the expenditure of funds within subdivisions (a) and (b): Funds allocated for centers and regional collaboratives shall seek to maximize the use of state funds for subdivisions (g) to (j), inclusive, of Section 88531 of the Education Code. Funds allocated to districts for purposes of subdivisions (g) and (i) of Section 88531 of the Education Code for performance-based training and student internships shall be matched by a minimum of \$1 of private business and industry funding for each \$1 of state funds. Funds allocated for purposes of subdivision (h) of Section 88531 of the Education Code for credit and noncredit instruction may be transferred to Schedule (1) or (3) to facilitate distribution at the chancellor's discretion. Any funds that become available from network centers due to savings, discontinuance, or reduction of amounts shall first be made available for additional allocations in

- 1 subdivision (b) to increase the level of subsidized
2 training otherwise available.
- 3 (g) Funds allocated by the Board of Governors of the
4 California Community Colleges under this provi-
5 sion may not be used by community college dis-
6 tricts to supplant existing courses or contract edu-
7 cation offerings. The chancellor shall ensure that
8 funds are spent only for expanded services and
9 shall implement accountability reporting for dis-
10 tricts receiving these funds to ensure that training,
11 credit, and noncredit programs remain relevant
12 to business needs. Programs that do not demon-
13 strate continued relevance and support by business
14 shall not be eligible for continued funding. The
15 board of governors shall consider the level of in-
16 volvement and financial commitments of business
17 and industry as primary factors in making awards.
18 The chancellor shall incorporate grant require-
19 ments into the guidelines for audits of economic
20 development grants.
- 21 (h) Primary objectives of the Economic and Work-
22 force Development Program are to maximize in-
23 struction, to prepare students for entry-level jobs,
24 to increase skills of the current workforce, and to
25 stimulate the growth of businesses through train-
26 ing so that more jobs are created. As part of the
27 annual report on the performance of the Economic
28 and Workforce Development Program, the chan-
29 cellor shall provide disaggregated data detailing
30 the funding provided to each economic develop-
31 ment regional center and each industry-driven
32 regional education and training collaborative, and
33 to the extent practicable, the total number of hours
34 of contract education services, performance im-
35 provement training, credit and noncredit instruc-
36 tion, and job placements created as a result of
37 each center and collaborative.
- 38 24. (a) The funds appropriated in Schedule (17) for the
39 Transfer Education and Articulation Program are

1 available to support transfer and articulation pro-
2 jects and common course numbering projects.

- 3 (b) Funding provided to community college districts
4 from Schedule (17) is provided to directly offset
5 any mandated costs claimed by community col-
6 lege districts pursuant to Chapter 737 of the
7 Statutes of 2004.

- 8 25. (a) \$13,673,000 of the funds appropriated in Schedule
9 (18) is available for the following purposes:

- 10 (1) Scheduled maintenance and special repairs
11 of facilities. The Chancellor of the California
12 Community Colleges shall allocate funds to
13 districts on the basis of actual reported full-
14 time equivalent students (FTES), and may
15 establish a minimum allocation per district.
16 As a condition for receiving and expending
17 these funds for maintenance or special re-
18 pairs, a district shall certify that it will in-
19 crease its operations and maintenance
20 spending from the 1995–96 fiscal year by the
21 amount it allocates from this appropriation
22 for maintenance and special repairs, plus an
23 equal amount to be provided from district
24 discretionary funds. The chancellor may
25 waive all or a portion of the matching require-
26 ment based upon a review of a district’s finan-
27 cial condition. The question of whether a
28 district has complied with its resolution shall
29 be reviewed under the annual audit of that
30 district. For every \$1 a district expends from
31 this appropriation for scheduled maintenance
32 and special repairs, the recipient district shall
33 provide \$1 in matching funds.

- 34 (2) Hazardous substances abatement, cleanup,
35 and repairs.

- 36 (3) Architectural barrier removal projects that
37 meet the requirements of the federal Ameri-
38 cans with Disabilities Act of 1990 (42 U.S.C.
39 Sec. 12101 et seq.) and seismic retrofit pro-
40 jects limited to \$400,000. Districts that re-

- 1 ceive funds for architectural barrier removal
2 projects shall provide a \$1 match for every
3 \$1 provided by the state.
- 4 (b) \$13,672,000 of the funds appropriated in Schedule
5 (18) is available for replacement of instructional
6 equipment and library materials. For every \$3 a
7 district expends from this appropriation for re-
8 placement of instructional equipment or library
9 materials, the recipient district shall provide \$1
10 in matching funds. The chancellor may waive all
11 or a portion of the matching requirement based
12 upon a review of a district's financial condition.
13 The funds provided for instructional equipment
14 and library materials shall not be used for personal
15 services costs or operating expenses. The chancel-
16 lor shall allocate funds to districts on the basis of
17 actual reported FTES and may establish a mini-
18 mum allocation per district. The question of
19 whether a district has complied with its resolution
20 shall be reviewed under the annual audit of that
21 district.
- 22 (c) The funds appropriated in Schedule (18) shall be
23 available for expenditure until June 30, 2010.
- 24 26. Pursuant to Sections 69648.5, 78216, and 84850, and
25 subdivision (b) of Section 87108, of the Education
26 Code, the Board of Governors of the California Com-
27 munity Colleges may allocate funds appropriated in
28 Schedules (6), (9), (11), and (19) by grant or contract,
29 or through the apportionment process, to one or more
30 districts for the purpose of providing program evalua-
31 tion, accountability, monitoring, or program develop-
32 ment services, as appropriate under the applicable
33 statute.
- 34 27. The funds appropriated in Schedule (21) for the Career
35 Technical Education Program are for the purpose of
36 aligning career-technical education curriculum be-
37 tween K–12 and community colleges in targeted indus-
38 try-driven programs offered through the Economic
39 and Workforce Development Program. Prior to the
40 allocation of these funds, the Chancellor of the Cali-

fornia Community Colleges, in conjunction with the State Department of Education, shall submit a proposed expenditure plan for the funds contained in this item, and the rationale therefor, to the Department of Finance by August 1, 2008, for approval.

Of the funds appropriated in Schedule (21), \$2,500,000 is available for the development and enhancement of health-related career pathway programs in grades 7 to 12, inclusive, and for the articulation and alignment of health-related curriculum between schools with pupils in kindergarten and grades 1 to 12, inclusive, and the California Community Colleges.

28. The funds appropriated in Schedule (22) for the Campus Childcare Tax Bailout shall be allocated by the Chancellor of the California Community Colleges to community college districts that levied child care permissive override taxes in the 1977–78 fiscal year pursuant to Sections 8329 and 8330 of the Education Code in an amount equal to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child care and development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased by any cost-of-living increases granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child care and development programs.

29. With regard to the funds appropriated in Schedule (23), Nursing Program Support, all of the following shall apply:

- (a) \$14,000,000 shall be used to provide support for nursing program enrollment and equipment needs consistent with paragraph (2) of subdivision (a) of Section 2 of Chapter 514 of the Statutes of 2001. Grant funding for nursing enrollment shall provide a marginal increase in funding in addition to the amount provided for each full-time equivalent student for regular growth in apportionments.
- (b) \$8,100,000 shall be used to provide diagnostic and support services, preentry coursework, alter-

1 native program delivery model development, and
2 other services to reduce the incidence of student
3 attrition in nursing programs.

- 4 (d) The Board of Governors of the California Com-
5 munity Colleges shall develop a request for appli-
6 cations (RFA) to allocate the additional
7 \$5,214,000 of funds in subdivision (b) to commu-
8 nity college districts. Criteria for assessing each
9 RFA shall include all of the following:

- 10 (1) The degree to which the funds provided
11 would be used to increase student enrollment
12 in nursing programs beyond the level of full-
13 time equivalent students served in the
14 2007–08 academic year.
15 (2) The district’s level of attrition from nursing
16 programs and the suitability of planned ex-
17 penditures to address attrition levels.
18 (3) The degree to which funds provided would
19 be used to support infrastructure or equip-
20 ment needs with the intent of building capac-
21 ity and increasing the number of nursing
22 students served.
23 (4) For districts with attrition rates of 15 percent
24 or more, new grant funding shall focus on
25 attrition reduction. For districts with attrition
26 rates below 15 percent, new grant funding
27 shall focus on enrollment expansion.

- 28 (e) The board of governors shall release the RFA no
29 sooner than 30 days after submitting it to the
30 Legislature and the Department of Finance for
31 review.

- 32 (f) On or before March 1 of each year, the Chancellor
33 of the California Community Colleges shall pro-
34 vide the Legislature and the Department of Fi-
35 nance with a report on the allocation of funding.
36 For each district receiving funding under this item,
37 the report shall include all of the following: (1)
38 the amount of funding received, (2) the number
39 of nursing full-time equivalent students served in
40 the 2006–07 academic year, and the additional

number of nursing full-time equivalent students served with funding provided in this item in each subsequent year, (3) the district's attrition and completion rates in the 2006–07 academic year and subsequent years, (4) any equipment or infrastructure-related items acquired with the funds appropriated in this item, and (5) the number of new and existing faculty receiving annual stipend awards.

SEC. 20. Section 12.42 of the Budget Act of 2008 (Chapters 268 and 269 of the Statutes of 2008), as added by Sec. 34 of Chapter 12 of the Statutes of 2009, Third Extraordinary Session, is amended to read:

Sec. 12.42. (a) The amounts appropriated in the items set forth in subdivision (b) are each hereby reduced by the percentage determined by dividing ~~943,773,000~~ 926,208,000 by the sum of the amounts appropriated in the items set forth in subdivision (b).

(b) Subdivision (a) shall apply to Items 6110-103-0001, 6110-104-0001, 6110-105-0001, 6110-107-0001, 6110-108-0001, 6110-113-0001, 6110-119-0001, 6110-122-0001, ~~6110-123-0001~~, 6110-124-0001, 6110-125-0001, 6110-137-0001, 6110-144-0001, 6110-150-0001, 6110-151-0001, 6110-156-0001, 6110-158-0001, 6110-166-0001, 6110-167-0001, 6110-181-0001, 6110-182-0001, 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001, 6110-220-0001, 6110-224-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-266-0001, 6110-267-0001, 6110-268-0001, as amended by Chapter 269, Statutes of 2008 and 6360-101-0001 of Section 2.00 of the Budget Act of 2008.

SEC. 21. Section 42 of Chapter 12 of the Statutes of 2009, Third Extraordinary Session is amended to read:

Sec. 42. (a) For the 2008–09 and 2009–10 fiscal years, in order to provide local budgeting flexibility as a result of budget reductions made by the Legislature for the 2008–09 and 2009–10 fiscal years, the governing board of a school district or county office of education may use *for any educational purpose* up to 100

1 percent of the balances, as of June 30, 2008, of restricted accounts
2 in its general fund ~~or cafeteria fund, adult education fund, deferred~~
3 ~~maintenance fund, and pupil transportation equipment fund,~~
4 excluding restricted reserves committed for ~~capital outlay~~, bond
5 funds, sinking funds, and federal funds, and excluding balances
6 in the following programs:

7 (1) Economic Impact Aid (Article 2 (commencing with Section
8 54020) of Chapter 1 of Part 29 of Division 4 of Title 2 of the
9 Education Code).

10 ~~(2) Targeted Instructional Improvement Grant (former Chapter~~
11 ~~2.5 (commencing with Section 54200) of Part 29 of Division 4 of~~
12 ~~Title 2 of the Education Code).~~

13 ~~(3) Instructional materials.~~

14 ~~(4)~~

15 (2) Special education.

16 ~~(5)~~

17 (3) Quality Education Investment Act of 2006 (Article 3.7
18 (commencing with Section 52055.700) of Chapter 6.1 of Part 28
19 of Division 4 of Title 2 of the Education Code).

20 ~~(6) California High School Exit Exam Intensive Intervention~~
21 ~~Program.~~

22 ~~(7)~~

23 (4) Home-to-school transportation.

24 (5) *The English Language Learner Acquisition and Development*
25 *Pilot Program (Chapter 5 (commencing with Section 420) of Part*
26 *1 of Division 1 of Title 1 of the Education Code) as funded pursuant*
27 *to paragraph (13) of subdivision (a) of Section 43 of Chapter 79*
28 *of the Statutes of 2006.*

29 (6) *Child development.*

30 (7) *Child nutrition programs.*

31 (b) For purposes of this section, balances of restricted accounts
32 do not include the amounts deferred from the 2006–07 fiscal year
33 to the 2007–08 fiscal year or the amounts deferred from the
34 2007–08 fiscal year to the 2008–09 fiscal year.

35 (c) A governing board shall not use the ending balance in any
36 restricted account if that use would violate a federal maintenance
37 of effort requirement.

38 (d) This section does not obligate the state to refund or repay
39 funds used pursuant to this section. If a school district uses an
40 ending balance in a restricted account that consists, in whole or in

1 part, of funds reimbursed to the district as a subvention of funds
2 for a state-mandated local program, the school district shall not
3 submit a claim to the state for a subsequent reimbursement of the
4 funds that were reimbursed pursuant to Section 6 of Article XIII B
5 of the California Constitution and used pursuant to the authority
6 granted to a school district pursuant to this section.

7 (e) A governing board that elects to use balances in restricted
8 accounts pursuant to this section shall report to the Superintendent,
9 in a manner determined by the Superintendent, regarding the
10 programs and amounts of restricted balances used pursuant to
11 subdivision (a). The Superintendent shall report statewide
12 information and information for each school district and county
13 office of education to the Joint Legislative Budget Committee by
14 ~~October 31, 2009~~ April 15, 2010.

15 *SEC. 22. It is the intent of the Legislature that basic aid school*
16 *districts assume categorical funding reductions proportionate to*
17 *the revenue limit reductions implemented for nonbasic aid school*
18 *districts in this act. The Superintendent of Public Instruction shall*
19 *reduce the amount of categorical funding allocated to basic aid*
20 *school districts in 2008–09 as follows:*

21 (a) *For 2008–09, the State Department of Education shall notify*
22 *each basic aid school district, by September 1, 2009, of the amount*
23 *of funds to be reduced from its categorical allocations and shall*
24 *calculate that amount as follows:*

25 (1) *Multiply each district's 2008–09 total revenue limit subject*
26 *to the deficit factor specified in paragraph (5) of subdivision (a)*
27 *of Section 42238.146 of the Education Code, calculated as of the*
28 *2008–09 certified second principal apportionment, by 3.53 percent.*

29 (2) *The department shall recover from categorical funds*
30 *identified in subdivision (b) and apportioned in 2009–10 to districts*
31 *that were basic aid school districts in the 2008–09 fiscal year; the*
32 *lesser of the amount calculated in paragraph (1) or the amount*
33 *by which the sum of the amounts described in subdivision (h) of*
34 *Section 42238 of the Education Code exceeds the district's revenue*
35 *limit. This result shall be further limited by the following:*

36 (A) *The amount of categorical funds to be reduced shall be*
37 *limited to the extent that the provisions of Section 41975 of the*
38 *Education Code cannot be met through other state aid.*

39 (B) *If the amount determined in paragraph (1) exceeds the*
40 *amount of categorical funding owed or paid in the 2009–10 fiscal*

1 year to the basic aid school district for programs identified in
2 subdivision (b), then the department shall recover the lesser
3 amount.

4 (b) The department shall recover the amount of funds calculated
5 in subdivision (a) and may offset funds for any categorical program
6 to be received in the 2009–10 fiscal year, with the exception of
7 special education, the After School Education and Safety program,
8 the Quality Education Investment Act, and child care and
9 development.

10 (c) By June 30, 2010, the department shall report to the
11 Controller and the Director of Finance the amounts that were
12 recovered from each categorical education program and the
13 corresponding item of appropriation in the Budget Act of 2008
14 that is to be reduced. The amounts so reduced shall revert to the
15 unexpended balance of the General Fund. The reductions pursuant
16 to this subdivision shall be reductions in the amount appropriated
17 for purposes of Section 8 of Article XVI of the California
18 Constitution for the 2008–09 fiscal year.

19 (d) For purposes of this section, “basic aid school district”
20 means a school district that does not receive from the state, for
21 the 2008–09 fiscal year, an apportionment of state funds pursuant
22 to subdivision (h) of Section 42238 of the Education Code.

23 SEC. 23. Notwithstanding any other law, for the 2008–09 to
24 the 2012–13 fiscal years, inclusive, school districts shall not be
25 required to deposit in their deferred maintenance fund, established
26 pursuant to Section 17582 of the Education Code, the amount
27 specified in subdivision (b) of Section 17584.

28 SEC. 24. The sum of eight million two hundred and sixty-seven
29 thousand dollars (\$8,267,000) is hereby appropriated to the State
30 Department of Education for the charter school categorical block
31 grant for the purpose of funding the calculation specified in
32 paragraph (2) of subdivision (c) of Section 47634.1 of the
33 Education Code for the 2008–09 fiscal year, provided that the
34 total amount allocated to charter schools for the purpose of funding
35 the calculation specified in paragraph (1) of subdivision (c) of
36 Section 47634.1 of the Education Code in 2008–09 is the result
37 of applying the same proportional cut that other categorical
38 programs received pursuant to Section 12.42 of the Budget Act of
39 2008.

1 *SEC. 25. Notwithstanding any other law, one hundred seven*
2 *million nine hundred nine thousand dollars (\$107,909,000) is*
3 *reduced from the amount appropriated to the High Priority Schools*
4 *Grant Program in Schedule (1) of Item 6110-123-0001 of Section*
5 *2.00 of the Budget Act of 2008 (Chs. 268 and 269, Stats. 2008).*

6 *SEC. 26. The Legislature finds and declares that Section 15*
7 *of this act furthers the purpose of the California State Lottery Act*
8 *of 1984.*

9 *SEC. 27. This act is an urgency statute necessary for the*
10 *immediate preservation of the public peace, health, or safety within*
11 *the meaning of Article IV of the Constitution and shall go into*
12 *immediate effect. The facts constituting the necessity are:*

13 *In order to make the necessary statutory changes to implement*
14 *the Budget Act of 2008 before the end of the fiscal year, it is*
15 *necessary that this act take effect immediately.*

16 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
17 ~~changes relating to the Budget Act of 2009.~~